4915. By the SPEAKER: Petition of the United States Conference of Mayors, Washington, D. C., petitioning consideration of their resolution with reference to the Works Progress Administration situation; to the Committee on Appropriations.

4916. Also, petition of the Workers Alliance of America, Washington, D. C., petitioning consideration of their resolution with reference to Walker County, Ala., Workers Alliance relief legislation; to the Committee on Appropriations.

SENATE

TUESDAY, JULY 25, 1939

The Senate met in executive session at 11 o'clock a. m.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Come, Holy Spirit, heavenly Guide: Inspire the hearts of Thy servants, the President of the United States, the Members of this Senate, and all the people of the land with the abundance of Thy grace. Nourish them with all goodness; replenish them with wisdom; and fill their minds with thankfulness for the mercies Thou hast ever bestowed, which exceed all that they have desired or deserved. Through Jesus Christ our Lord who with Thee and the Father reign as one God throughout the ages, world without end. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 24, 1939, was dispensed with, and the Journal was approved.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. The Senate adjourned last evening in executive session. Are we now automatically in executive session?

The VICE PRESIDENT. The Senate having met this morning following an adjournment in executive session last evening is, therefore, now in executive session.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Adams	Byrd	Gillette	Johnson, Colo.
Andrews	Byrnes	Glass	King
Ashurst	Capper	Green	La Follette
Austin	Chavez	Guffey	Lee
Bailey	Clark, Idaho	Gurney	Lodge
Bankhead	Clark, Mo.	Hale	Logan
Barbour	Connally	Harrison	Lucas
Barkley	Danaher	Hatch	Lundeen
Bilbo	Davis	Hayden	McCarran
Bone	Downey	Herring	McKellar
Borah	Ellender	Hill	McNary
Bridges	Frazier	Holman	Maloney
Brown	George	Holt	Mead
Bulow	Gerry	Hughes	Miller
Burke	Gibson	Johnson, Calif.	Minton
Murray	Radcliffe	Stewart	Vandenberg
Neely	Reed	Taft	Van Nuys
Norris	Russell	Thomas, Okla.	Wagner
Nye	Schwartz	Thomas, Utah	Walsh
O'Mahoney	Schwellenbach	Tobey	Wheeler
Overton	Sheppard	Townsend	White
Pepper	Shipstead	Truman	
Pittman	Smathers	Tydings	

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from South Carolina [Mr. SMITH] are detained from the Senate because of illness in their families.

The Senator from Ohio [Mr. DONAHEY] is unavoidably detained.

The Senator from Arkansas [Mrs. CARAWAY], and the Senator from Illinois [Mr. SLATTERY] are absent on important public business.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

REPORTS OF COMMITTEES

The VICE PRESIDENT. The Senate is in executive session. Are there any executive reports of committees?

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Joseph A. Ziemba, of Chicago, Ill., to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill. (reappointment).

He also, from the same committee, reported favorably the nominations of several doctors to be assistant surgeons in the United States Public Health Service, to take effect from date of oath.

Mr. BYRNES, from the Committee on Banking and Currency, reported favorably the nomination of Sam Husbands, of South Carolina, to be a member of the Board of Directors of the Reconstruction Finance Corporation for the unexpired term of 2 years from January 22, 1938.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of several officers for promotion in the Coast Guard.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the Executive Calendar is in order.

Mr. BARKLEY. I ask unanimous consent that the pending treaty which was under consideration at the time the Senate adjourned last night be now taken up and that the Executive Calendar be not called.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

GENERAL TREATY WITH PANAMA

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive B (74th Cong., 2d sess.), a general treaty between the United States of America and the Republic of Panama, signed at Washington on March 2, 1936.

The VICE PRESIDENT. The Senator from Nevada [Mr. PITTMAN] is recognized.

Mr. PITTMAN. Mr. President, there is pending an amendment offered to the treaty by the Senator from Rhode Island [Mr. GERRY], which reads as follows:

At the end of article X add the following: "either prior to or subsequent to the taking of such measures."

To understand that amendment one must again read article X.

Article X, to which the amendment is proposed to be added, reads as follows:

In case of an international conflagration or the existence of any threat of aggression which would endanger the security of the Republic of Panama or the neutrality or security of the Panama Canal, the Governments of the United States of America and the Republic of Panama will take such measures of prevention and defense as they may consider necessary for the protection of their common interests. Any measures, in safeguarding such interests, which it shall appear essential to one Government to take, and which may affect the territory under the jurisdiction of the other Government, will be the subject of consultation between the two Governments.

The Senator from Rhode Island proposes to add to that article "either prior to or subsequent to the taking of such measures." That clause undoubtedly refers to "consultation."

In a letter from the Secretary of State, dated Department of State, Washington, February 1, 1939, we find a communication relative to article X. It is a very important letter. We also find a reply to that letter by Augusto S. Boyd, Minister of Panama. I think it is appropriate at this time to have both letters in the RECORD and under consideration, as

the weight and effect of the letters are questioned by this amendment, and also by an amendment which will be offered by the junior Senator from Texas [Mr. CONNALLY].

I desire Senators to listen to this letter, so as to ascertain whether the minutes of interpretation preceded the making of the treaty or whether they were made as a part of the treaty. That fact will be determined by the letter of the Secretary of State and the reply of the Minister of Panama.

I desire a careful consideration of the wording of this letter.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Vermont?

Mr. PITTMAN. If the question is not too long. I want to read the letter.

Mr. AUSTIN. I merely wish to ask a question. What is the date of the letter the Senator is about to read?

Mr. PITTMAN. I am going to read the full letter, date and all.

The letter is as follows:

DEPARTMENT OF STATE,
Washington, February 1, 1939.

The Honorable Señor Dr. DON AUGUSTO S. BOYD,
Minister of Panama.

SIR: I have the honor to refer to the general treaty signed between the United States of America and the Republic of Panama on March 2, 1936, and to the record of the proceedings of the negotiations leading to this accord. As you may recall, on several occasions during the course of the negotiations, it was found necessary to discuss and to reach a mutual understanding as to the interpretation to be placed upon certain draft provisions eventually incorporated in the signed treaty. These discussions and understandings were, after each meeting, embodied in the duly attested typewritten record of the proceedings of the treaty negotiations.

It seems possible that, following the favorable report at the close of the last session of Congress by the Committee on Foreign Relations of the United States Senate on the general treaty and accompanying conventions, the individual Members of the Senate in their consideration during the current session of Congress of the treaty and conventions, may ask for clarification as to the precise meaning of certain important provisions of the general treaty which affect the security and neutrality of the Panama Canal. With a view to anticipating these inquiries, and in the hope of avoiding further delay on this account in the consideration of the general treaty of March 2, 1936, it has seemed to my Government advisable to set forth in an exchange of notes between our two Governments the substance of some of these above-mentioned understandings as mutually reached. I should be grateful, accordingly, if you would inform me whether your Government shares the understanding of my Government upon the points which follow in subsequent paragraphs.

1. In connection with the declared willingness of both the Government of the United States of America and the Government of the Republic of Panama to cooperate for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the Canal should afford them (art. I of the general treaty of March 2, 1936) the word "maintenance" as applied to the Canal shall be construed as permitting expansion and new construction when these are undertaken by the Government of the United States of America in accordance with the said treaty.

2. The holding of maneuvers or exercises by the armed forces of the United States of America in territory adjacent to the Canal Zone is an essential measure of preparedness for the protection of the neutrality of the Panama Canal and, when said maneuvers or exercises should take place, the parties shall follow the procedure set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 2, 1936.

3. As set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 16, 1935, in the event of an emergency so sudden as to make action of a preventive character imperative to safeguard the neutrality or security of the Panama Canal, and if by reason of such emergency it would be impossible to consult with the Government of Panama as provided in article X of said treaty, the Government of the United States of America need not delay action to meet this emergency pending consultation, although it will make every effort in the event that such consultation has not been effected prior to taking action to consult as soon as it may be possible with the Panamanian Government.

Accept, sir, the renewed assurances of my highest consideration.

CORDELL HULL.

I shall now read the letter of the Minister Plenipotentiary of the Republic of Panama:

LEGATION OF PANAMA,
Washington, February 1, 1939.

Mr. SECRETARY: I have the honor to refer to Your Excellency's valued communication of today's date with respect to the general treaty signed between the Governments of the Republic of Panama and of the United States of America March 2, 1936, and to the proceedings of the meetings held by the Commissioners of Panama and of the United States of America during the negotiations which preceded the signature of the said treaty. Your Excellency invites my attention to the fact that during the course of the negotiations and after discussion a mutual agreement was reached with regard to the interpretation to be given to certain provisions which eventually were incorporated in the treaty. Your Excellency states that these discussions and understanding were, after each meeting, embodied in the typewritten records of the proceedings.

You then give as your opinion that in view of [sic] the favorable report presented at the close of the last session of Congress by the Committee on Foreign Relations of the Senate of the United States of America on the general treaty and the various accompanying conventions, some Members of the Senate, during the debates with respect to the general treaty and the conventions in the present session of Congress, may ask for clarification as to the meaning of certain provisions of the general treaty affecting the security and neutrality of the Panama Canal. With a view to anticipating such an eventuality, and of avoiding new delays in the consideration of the general treaty of March 2, 1936, Your Excellency states that it seems advisable to your Government to effect an exchange of notes with my Government for the purpose of reiterating the interpretation given to certain points in the proceedings.

I take pleasure in informing Your Excellency that I have been authorized by my Government to effect this exchange of notes and to clarify the points propounded by Your Excellency, and which, for greater clarity, are set forth in the English language, as follows:

Then the three interpretations which have already been read are set out.

I avail myself of this occasion to renew to Your Excellency the assurances of my most distinguished consideration.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. I will ask the Senator to permit me to finish this line; then I will yield. The minutes referred to are minutes adopted by the negotiators.

Mr. AUSTIN. Mr. President, will not the Senator yield for a question at that point?

Mr. PITTMAN. I yield to the Senator.

Mr. AUSTIN. I think that if the Senator will yield we will be more likely to arrive at an understanding of what the Senator is reading. The Senator has omitted something in the letter, and I am not aware of the part omitted. I, therefore, ask whether in the part omitted there is a reference to negotiations preceding occupation.

Mr. PITTMAN. I have left out nothing from the letter except what I will now read. When I read the first letter, I stated that I was leaving out minutes 1 and 2, because I was reading only minute No. 3, which deals with article X; but will read the first 2 minutes:

1. In connection with the declared willingness of both the Government of the United States of America and the Government of the Republic of Panama to cooperate for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the Canal should afford them (art. I of the general treaty of March 2, 1936), the word "maintenance" as applied to the Canal shall be construed as permitting expansion and new construction when these are undertaken by the Government of the United States of America in accordance with the said treaty.

2. The holding of maneuvers or exercises by the armed forces of the United States of America in territory adjacent to the Canal Zone is an essential measure of preparedness for the protection of the neutrality of the Panama Canal, and, when said maneuvers or exercises should take place, the parties shall follow the procedure set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 2, 1936.

I now read the third minute again:

3. As set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 16, 1935, in the event of an emergency so sudden as to make action of a preventive character imperative to safeguard the neutrality or security of the Panama Canal, and if by reason of such emergency it would be impossible to consult with the government of Panama as provided in article X of said treaty, the Government of the United States of America need not delay action to meet this emergency pending consultation, although it will make every effort in the event that such consultation has not been effected prior to taking action to consult as soon as it may be possible with the Panamanian Government.

I thought it was understood that I was leaving out minutes Nos. 1 and 2. Now they have been read into the RECORD;

and, so that there may be no misunderstanding, I will state that I have read to the Senate all of the letter of Minister Boyd, except that I did not read the 3 minutes. So that there may be no occasion for criticism, I will reread those 3 minutes:

1. In connection with the declared willingness of both the Government of the United States of America and the Government of the Republic of Panama to cooperate for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the Canal should afford them (art. I of the general treaty of March 2, 1936), the word "maintenance" as applied to the Canal shall be construed as permitting expansion and new construction when these are undertaken by the Government of the United States of America in accordance with the said treaty.

2. The holding of maneuvers or exercises by the armed forces of the United States of America in territory adjacent to the Canal Zone is an essential measure of preparedness for the protection of the neutrality of the Panama Canal and, when said maneuvers or exercises should take place, the parties shall follow the procedure set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 2, 1936.

3. As set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 16, 1935, in the event of an emergency so sudden as to make action of a preventive character imperative to safeguard the neutrality or security of the Panama Canal, and if by reason of such emergency it would be impossible to consult with the Government of Panama as provided in article X of said treaty, the Government of the United States of America need not delay action to meet this emergency pending consultation, although it will make every effort in the event that such consultation has not been effected prior to taking action to consult as soon as it may be possible with the Panamanian Government.

I avail myself of this occasion to renew to Your Excellency the assurances of my most distinguished consideration.

AUGUSTO S. BOYD, *Minister.*

Mr. President, every day during the drafting of the treaty the parties who adopted these minutes of interpretation were called negotiators. As a matter of fact, they were ministers plenipotentiary of the President of the United States and the President of Panama. They were not merely casual negotiators.

Let me now read what will show who these parties were and what authority they had. They were the agents of two Presidents who had authority to act. They were acting for the President of the United States and the President of Panama, not only in making the treaty, but every day while writing it they were also writing the interpretation of every clause which might seem ambiguous.

The President of the United States of America;

Mr. Cordell Hull, Secretary of State of the United States of America, and Mr. Sumner Welles, Assistant Secretary of State of the United States of America; and

The President of the Republic of Panama;

The Honorable Dr. Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of Panama to the United States of America, and the Honorable Dr. Narciso Garay, Envoy Extraordinary and Minister Plenipotentiary of Panama on special mission;

Who, having communicated their respective full powers to each other, which have been found to be in good and due form, have agreed upon the following.

The agreement was the agreement of the President of the United States, who has the constitutional authority to make treaties, and the agreement of the President of Panama, and at the time the negotiators made the treaty, on behalf of the President of the United States and the President of Panama, they made these minutes of interpretation. Hearing this matter debated one would think these negotiators were some unauthorized persons who had taken this action. They were not; they were the Ministers Plenipotentiary of the President of the United States and the President of Panama.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. VANDENBERG. The Senator still leaves me without a convincing answer to this question: Why did they write a treaty which said, "We had to consult ahead of action," and write notes which said, "We could act ahead of consultation"? Why did they not say the same thing both times?

Mr. PITTMAN. Mr. President, the Senator knows as much about the drafting of treaties as does the Senator from Nevada, and in the little experience we have had with treaties, over a period of many years, we have discovered that it is exceedingly difficult, in making a treaty between two different governments which use different languages, to employ idioms which will give exact expression to what is meant.

My impression is that at the time article X was drawn the negotiators were considering normal times. I mean by that, there is no doubt whatever that it was understood that if the United States desired to make preparations for war in the territory of Panama, the United States should consult with Panama as to what it desired to do in the Panamanian territory. However, after that was decided, one of the drafters asked the question, "But assume that an emergency arises which requires immediate action before the representatives of the two governments can get together, before we can even consult with respect to what we want to do, then what shall we do?" The answer was simply, "Well, of course it is understood that in an emergency action must be taken, after which, if necessary, consultation will be had."

However, I revert to the question which has been raised by the junior Senator from Texas [Mr. CONNALLY] and by the Senator from Rhode Island [Mr. GERRY], for whose legal opinions I have the very highest regard. Both Senators contend that there is nothing before the Senate to disclose whether or not the ratifying body of Panama had these minutes before it and ratified the treaty in view of these interpretations, and that afterwards either Government might say, "Oh, no; we did not know anything about these minutes of interpretation." That, of course, is quite an appealing argument.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Nevada yield to the Senator from Texas?

Mr. PITTMAN. I yield.

Mr. CONNALLY. I understand the Senator's contention concerning these minutes and notes of interpretation. But let me ask the Senator a very practical question. Suppose after we shall have ratified the treaty an issue should arise as to what the treaty means; in all good conscience which would control—the letter which the minister wrote, the minutes of the negotiation, or the treaty, for there is a conflict between them? That is admitted. Where would we go and put our finger on a provision and say, "It is right here?" Would we go to the minutes?

Mr. PITTMAN. I will try to answer that question from my viewpoint. I think the rules of interpretation and construction of treaties are the same as the rules of construction and interpretation of contracts. In fact, a treaty is nothing but a contract between governments. If a contract is drawn between another party and myself, and the other party must sign the contract before I sign it, and there happens to be a clause in it which seems subject to misunderstanding, and after signing the contract he writes me a letter when he transmits the contract to me, and says, "I understand the purpose and effect of article X of this contract which I am signing, to be so and so," and in view of that letter of transmission and that construction of article X of the contract I am induced to sign it, and do sign it, that letter becomes a part of the contract for the purpose of future interpretation and construction, and the courts of our country have universally so held.

Mr. CONNALLY. Mr. President, will the Senator again yield?

Mr. PITTMAN. I yield.

Mr. CONNALLY. Of course, we recognize the rule that when the language of a contract is ambiguous some collateral writings may be considered. But here there is no claim of ambiguity, because the Secretary of Foreign Affairs says that article X means that there shall be prior consultation. He says that in his letter. Therefore it is not ambiguous. He says, however, "I am authorized by my government in effect to vary article X." But we are contending that since the Congress of Panama ratified the treaty more than 2 years previously, no one but the Congress of Panama can

authorize the foreign minister to change the terms of the treaty.

Let me say to the Senator from Nevada that the amendment I have offered simply incorporates the third paragraph in the letter written by the Foreign Minister, in his own language, and if that should be agreed to then there could not be any controversy, and it would be a very simple matter for the Panamanian Government to accept what they say already they are accepting.

Mr. PITTMAN. Let me proceed, then. My contention is that the language cannot be ambiguous. It does not say that before the United States Government shall occupy any portion of the territory of Panama for defense purposes the Government of the United States shall consult the Government of Panama. If it did say that, this interpretation might be considered as antagonistic. But it does not say that. It does not say whether the consultation shall take place before or after. It does not even say that there shall be a consultation, although it is thoroughly understood that there should be. What it says is—and I will read the language—"will be the subject of consultation between the two governments." That is the language. When is the consultation to occur? There is no time set for it. It is very well to have the minutes of interpretation by the makers of this treaty. They say that "consultation" ordinarily means before, but in case of emergency it means after, if necessary. That is what is said.

Mr. CONNALLY. Mr. President, will the Senator again yield?

Mr. PITTMAN. I yield.

Mr. CONNALLY. The Senator concedes that article X refers to consultation. Consultation about what?

Mr. PITTMAN. Concerning the use of the territory of Panama.

Mr. CONNALLY. Exactly, concerning the use of the territory and the use of the Army. Does it not inevitably follow that since the consultation has to do with the use of the territory and the use of the Army, the language contemplates that the consultation shall take place before the use is actually made?

Mr. PITTMAN. Not necessarily, because under article XXIII of the 1903 treaty, which has not been abrogated, the right of the United States Government is recognized at any time, without consultation with anyone, to occupy any territory in the vicinity for the defense of the Panama Canal.

Mr. CONNALLY. Let me ask another question, and then I shall not interrupt the Senator further. If article XXIII of the prior treaty controls why was article X put in the present treaty?

Mr. PITTMAN. Article X undoubtedly was put into the treaty for the purpose of giving the Panamanian Government some consideration, and it was perfectly proper to do so. The consideration given was that proposed action should be the subject of consultation. It did not in any sense of the word negative the absolute power of article XXIII under the 1903 treaty. The words "power of consultation" were contained in the treaty. There was nothing in it which indicated that the consultation should be before action. The makers of the pending Panama treaty wanted it so stated. So they said or indicated that the consultations should be before action, and our Government said, "Yes; unless an emergency arises." That is exactly what the language of the treaty means, and the drafters of the treaty have made it quite plain to everyone what it means.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. MINTON. Was not article X put in only for the purpose of establishing a status, and maintaining a status? In other words, the Panamanian Government wanted to maintain some semblance of sovereignty in the relationship between the two parties.

Mr. PITTMAN. It was put in, as is very plain to be seen, in the first place, for the purpose of binding the Government of Panama to cooperate in every possible way for the defense not only of the Panama Canal but of Panama. That is No. 1.

No. 2. It was put in, there can be no doubt, for the purpose, as I said before, of softening article XXIII of the 1903 treaty by providing that proposed action should be the subject of consultation. And in normal times consultation should be had before the United States acted in the territory of Panama. But there was nothing in the article which said whether the consultation should be before or after, until Panama insisted on the interpretation that it should be before, and the United States insisted it should not be before, if an emergency required the United States to act before consultation could be had. Then the Panama Government said, "If there is an emergency and you have to act before consultation, then you will consult after that as soon as possible."

Mr. President, that is as plain as day. I now go back to the amendment proposed by the Senator from Rhode Island. The Senator from Rhode Island desires to add at the end of article X—

Either prior to or subsequent to the taking of such measures.

That would change the entire intent of the article so far as the Government of Panama is concerned. That would leave the United States free from the necessity of consulting in advance of action at any time it does not want to do so. Panama wants it understood that the consultation is to be before action whenever it is possible. The United States wants it understood that consultation shall be had before action, except in case of emergency, and then action will be taken immediately, and the consultation will be had thereafter as soon as possible. The amendment would make impossible what Panama wants.

Those who advocate amendments say that we have no proof that the ratifying body of Panama, which I now understand is its assembly, had any knowledge of the minutes of interpretation which were made by the makers of the treaty, and that the assembly might afterward say, "We did not know anything about that." I say that when the Minister Plenipotentiary of Panama to this country, with full and general powers, represents to our Government that his Government ratified the treaty with certain understandings, we not yet having ratified it, if we ratify it under certain representations by the Minister of Panama, Panama is bound by those representations, because we have a right to accept representations by the Minister of Panama, who has plenipotentiary powers to deal with this Government. It is absurd to say that governments which communicate through their plenipotentiaries with general powers may not have accepted the representations of their ministers as to the acts of the governments.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. VANDENBERG. That being true, everybody, including the Panamanian Government, being in agreement as to what the language means, why is it in any degree offensive to the Panamanian Government to take the action proposed by the Senator from Texas [Mr. CONNALLY] and close the debate for keeps?

Mr. PITTMAN. I shall attempt to give my own view of the question. In the first place, the Assembly of Panama is in adjournment. It meets on the first Monday in September and will not meet again until 1940. If any amendment is placed in the treaty, either the treaty will be delayed until 1940 or there will have to be a special session of the Panamanian Assembly.

In the second place, such an amendment would be a clear indication that we do not trust the Government of Panama. A lack of trust in the Government of Panama would destroy one of the greatest advantages we would obtain from the treaty; that is, not merely the promise of cooperation by Panama but the wholehearted, friendly cooperation of Panama in the protection of the Panama Canal.

Mr. President, I am ready to close. On yesterday afternoon, having in mind the objection that we had no proof that the ratifying body of the Republic of Panama took into consideration the minutes and interpretations, I put the

matter up to the State Department. The Secretary of State has just transmitted to me two very important communications containing a decisive statement with regard to the objection that the ratifying body of Panama might not have had knowledge of the minutes of interpretation made by the makers of the treaty at the time the treaty was made. I shall read the communications:

JULY 25, 1939.

His Excellency Señor Dr. DON AUGUSTO S. BOYD,
Ambassador of Panama.

EXCELLENCY: I understand from the debate in the Senate of the United States yesterday on the treaties signed with Panama, March 2, 1936, that the question was raised as to whether the Assembly of Panama had the notes and minutes of the treaty negotiations before it at the time the treaties were considered and ratified by that body.

I shall thank you to advise me definitely as to whether the notes and minutes of the negotiations were before the Assembly of Panama and were thoroughly understood and considered by the Assembly in connection with its ratification of the aforesaid treaties.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL.

JULY 25, 1939.

His Excellency CORDELL HULL,
Secretary of State.

EXCELLENCY: I am in receipt of Your Excellency's note of this date in which you state that you understand from the debate in the Senate of the United States yesterday on the treaties with Panama signed March 2, 1936 that the question was raised whether the Assembly of Panama had the notes and minutes of the treaty negotiations before it at the time the treaties were considered and ratified by that body.

I think that the best answer I may give to Your Excellency is to transcribe textually in translation, law No. 37, of 1936, which was passed by our assembly on the 24th of December 1936, and which reads as follows:

"The National Assembly of Panama Decrees

"Only article: There are hereby approved and ratified in all their parts the General Treaty, the Radio Communications Convention, the Convention on the Transfer of the Stations of La Palma and Puerto Olbadía, and the Convention on the Trans-Isthmian Highway, signed in the city of Washington, March 2, 1936, by plenipotentiaries of the Governments of the Republic of Panama and of the United States of America, which is done taking into account the minutes and the exchanges of notes signed on the same date and which contain interpretations and explanations of certain important aspects of the general treaty and of the conventions aforementioned."

From the law quoted above Your Excellency will observe that the minutes and the notes were before the assembly, and were considered and understood by it at the same time that the assembly ratified the treaty and conventions above mentioned.

Accept, Excellency, the sentiments of my highest consideration.

AUGUSTO S. BOYD.

I think those communications put an end to the question.

Mr. GERRY. Mr. President, on yesterday when the treaty was under consideration by the Senate I was struck, as the debate developed, by the fact that the treaty was ratified by Panama in 1936 and that the correspondence between the Panamanian Government and our Secretary of State was dated in 1939. I was also impressed, as was the Senator from Michigan [Mr. VANDENBERG], with the fact that there was sufficient ambiguity in the treaty to cause our Secretary of State to deem it necessary to ask for further explanations.

I can well understand the point that when two governments are conducting negotiations through accredited representatives the representatives must have certain leeway, and that the conversations which took place during the negotiations, which conversations were taken down, would naturally have a bearing on the construction of the treaty.

I asked the chairman of the Foreign Relations Committee whether or not there was any evidence to show that the treaty had been ratified by the Panamanian Senate. I received no answer to that question. Today I learn from the statement submitted by the State Department that it was ratified by the assembly. Apparently under the laws of Panama, of which no one present seemed to have a wide knowledge, treaties of the Panamanian Government must be ratified by the assembly, which I presume includes both bodies, and not merely the senate. However, I have no information as to that question.

One of the main things which was bothering me was the fact that there was nothing in the record to show that the Panamanian ratifying body, in conjunction with the executive branch of the Panamanian Government, had before them the minutes of the meetings. I raised that point; and it has now been answered. It appears that the minutes were before the Assembly of Panama, and therefore the assembly had knowledge of the proceedings. That circumstance seems to me very strong evidence of the fact that the situation was pretty well understood; and in my opinion it takes away much from the force of the argument that the clarifying letters were written afterward.

Under these circumstances, and because of the fact that the Senator from Texas has offered what I consider to be a better amendment, I ask unanimous consent to withdraw my amendment. I will reserve final judgment, so far as my opinion is concerned, until I hear the debate further and certain other questions which are still puzzling me shall be cleared up in the debate.

Mr. CONNALLY obtained the floor.

Mr. JOHNSON of California. Mr. President——

Mr. CONNALLY. I will yield to the Senator from California but I should like to make a suggestion before he speaks.

Mr. GERRY. Mr. President, I have asked unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment offered by the Senator from Rhode Island is withdrawn.

Mr. CONNALLY. Mr. President, I offer an amendment to article X which I should like to have read at the desk. Then, I will yield the floor to the Senator from California.

The PRESIDING OFFICER. The amendment offered by the Senator from Texas will be stated.

The CHIEF CLERK. It is proposed to add a new paragraph to article X of the treaty, as follows:

As set forth in the records of the proceedings of the negotiations of the general treaty of March 2, 1936, which proceedings were held on March 16, 1935, in the event of an emergency so sudden as to make action of a preventive character imperative to safeguard the neutrality or security of the Panama Canal, and if by reason of such emergency it would be impossible to consult with the Government of Panama as provided in article X of said treaty, the Government of the United States of America need not delay action to meet this emergency pending consultation, although it will make every effort in the event that such consultation has not been effected prior to taking action to consult as soon as it may be possible with the Panamanian Government.

Mr. CONNALLY. Mr. President, in explanation, I wish to say to Members of the Senate that the amendment which I offer simply adds to article X of the treaty paragraph 3 of the letter of the Foreign Minister of Panama upon which the chairman of the committee relies for what he thinks is the proper interpretation of article X. If this amendment should be adopted there could be no controversy because as soon as the Panamanian Government should agree to it, which they are bound to do because it is the language of their own Foreign Minister, it would elucidate and clear up this situation entirely.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. The result of the Senator's amendment would simply be to make the treaty actually say what the Senator from Nevada says it says, what the Panamanian Minister says it says, and what our Secretary of State says it says.

Mr. CONNALLY. Exactly.

Mr. PITTMAN. Mr. President, may I interrupt the Senator there?

Mr. CONNALLY. I yield.

Mr. PITTMAN. With the further suggestion that we doubt the word of our Secretary of State, we doubt the word of the Foreign Minister of Panama, and our action will necessitate

either delay for months in the reratification of the amendmen or cause the Government of Panama to call a special session of the congress of that country.

Mr. VANDENBERG. If the Senator from Texas will permit me, I do not doubt anybody's word, but I doubt the advisability of relying upon ambiguous language in international relationships.

Mr. CONNALLY. Mr. President, I have no hostility toward this treaty; I am favorable to the treaty. I am willing to pay Panama the rental of the Canal territory in the old 100-percent dollars, although that will cost us nearly $150,000 annually more than the treaty provides. I desire to deal justly and generously with Panama; but, at the same time, while dealing justly with Panama, I want to deal justly with the people of the United States whose canal is located on that territory, and I want to prevent any possible subsequent argument with Panama. Our contention is, and it is the contention of Panama, that article X as written requires prior consultation. The amendment, if adopted, will make it clear, because we adopt the language of the Panamanian Secretary of State. They cannot object to this amendment in the nature of a reservation.

The Senator from Nevada says that it will take several months because their Congress does not meet soon; but we have had this treaty in the Senate for a long while, and we have not shown any tendency to violate the speed laws in its consideration. So why should we quibble over a few months' delay in Panama? My prediction is, however, that if we agree to this amendment Panama will ratify it within 30 days. The Congress of Panama is not like the Congress of the United States, whose Members live thousands of miles apart. I dare say members of the Congress of Panama could all be reached by telephone or automobile within 30 minutes after this treaty, with the amendment, is ratified; and I predict when they get the assurance of the $150,000 additional payment every year they will ratify it very quickly for fear we will change our minds. I say that with all respect to Panama. They want the increased payment.

If there should be any consultation under article X of the treaty, which is admittedly, according to the statement of those who are advocating it, ambiguous, suppose we should go ahead. It is said that in an emergency we could go ahead and consult Panama later, but, then, probably, they would have a claim for damages for the injury to their territory by reason of military operations because we had not consulted them in advance. That is a possibility. They could say, "You did not consult us in advance; the treaty said you ought to do so, but you did not do it, and your army tramples down our grass and our coconut trees, and we want some damages." If, however, we put this amendment in the treaty, and agree particularly in their very own language, there can be no discussion; there can be no quibbles.

Let me suggest to Senators that if we here on the floor of the Senate disagree about the construction of this treaty and the negotiations incident to it, is it not possible that the Panamanians might disagree about it with us after the treaty has been ratified?

So I submit, Mr. President, the Senate should agree to this amendment, which sets forth the meaning of article X exactly in accordance with what the chairman of the Committee on Foreign Relations contends it means, and what the Panamanians say they are willing for it to mean, and which they say is not meant by the present article X, because the letter of the Panamanian Secretary of State says that consultation in advance is required by article X. The Foreign Minister of Panama has no more authority to change the action of the Congress of Panama in ratifying this treaty than has the Secretary of State of the United States to repeal a statute of the Congress of the United States.

I do not want to argue the matter further, but I submit this is a sane, fair adjustment of the whole question and removes every doubt whatever.

Mr. JOHNSON of California. Mr. President, the amendment of the Senator from Texas solves one question presented by this treaty. It seems to me to be perfectly ridiculous to contend that a treaty may be ratified in 1936 by the ratifying body of one signatory and in 1939 there may be added by the ratifying body of the other signatory a clarifying clause which will solve the difficulty of 1936. It would be like the Senate ratifying a treaty or not ratifying a treaty, and long afterward, when another Senate may have come into being or another one may be contemplated, having it ratify something that was done by the prior Senate or something done in times past which did not apply at all to the particular time in question.

Mr. President, the solving of this particular technical question is important, it is true; it goes to the heart of the very matter we are discussing; but there is something greater than that. Mr. President, can you not see that the Panama Canal is now completely under our jurisdiction? Always since its construction it has been under the power of the United States to do as it pleased in regard to the Panama Canal. And, Mr. President, do you not see that at this particular time of stress and crisis we are denying to the United States the absolute power that it has possessed up to this time and are whittling away a great portion of the power that was conferred by the original treaty? The pending treaty, first of all, abrogates the first clause of the old treaty of 1903, and it abrogates the succeeding clauses and provisions of that treaty and changes entirely the set-up of the Panama Canal. It is changed when we most need it, for we most need it today. I cannot for the life of me understand why we should be so ready for the Panamanians to change the power that we have exerted up to this time over the Panama Canal and today leave its control doubtful. I do not say that the treaty gives control absolutely to somebody else or to some other power, but it leaves the power of control doubtful at a time when we most need it and when it may be of most assistance to this country and to the other countries of the earth. So why do it? We do it, first of all, because we agree to give to the Panama Government $400,000 instead of $250,000 in round numbers. We give that, and we ought to give it, because the treaty originally obligated us to pay the sum in gold coin and in 100-percent dollars, and now we are tardily doing that justice to Panama. But we do it, too, because Panama insists that her citizens shall have all the commercial privileges of the Canal Zone and all of the business that shall be done there, and we are denying to American citizens the right to do business there. We do not permit them by this treaty to carry on their usual course of life. Why is it that we should now, 3 years after the treaty has been presented to the Senate, hurry its ratification? Why is it necessary right now, when fires are burning all over the earth, to say that the United States Government shall yield any part of its power over the Panama Canal?

I adjure you, my colleagues in the Senate, not to permit any part of the power that is ours over the Panama Canal to be taken away at this time, but to hang on to it for the safety of the United States and the protection of the world.

Mr. PITTMAN. Mr. President, I merely wish to call attention to the fact that I received this morning from the Minister of Panama a certificate of the resolution of ratification of the Assembly of the Legislature of the Republic of Panama on the 24th day of December 1936, which is set out textually. We do not have to rely on any subsequent correspondence.

Mr. LA FOLLETTE. Mr. President, I should like to say just a few words in connection with the amendment offered by the Senator from Texas [Mr. CONNALLY].

In the first place, I think we should bear in mind the fact that article XXIII of the treaty of 1903 is not in any way impaired by the ratification of this treaty.

In the second place, as the Senator from Nevada [Mr. PITTMAN] has just pointed out, we now are on official notice that these notes and interpretations were under consideration at the time this treaty was ratified by the Panamanian Government. Therefore I think it is clear that the interpretation contained in the notes is the interpretation which was

placed upon article X of the pending treaty by the Panamanian Government when it exercised its right under its constitution and ratified the treaty.

Mr. President, as I see it, the power of the Government of the United States to protect the Panama Canal is amply safeguarded in the treaty. The question is whether or not, by its ratification, we wish to cultivate and encourage the friendship of the Panamanian Government and its citizens. To my mind that is a very important consideration, because it seems to me to be perfectly clear that any possible designs upon the Canal which might eventuate in the future will not occur in the Canal Zone, which is completely under the control of the Government of the United States and under the surveillance of our military and naval intelligence. If it is conceivable that in the future some plans, in view of international developments, may result in efforts to sabotage or destroy the Canal, such plans will be formulated in the territory of Panama.

Believing that all of our rights and privileges essential to the protection of the Canal are retained and safeguarded by the treaty, I believe we should ratify it without reservation and without amendment, in order that we may encourage and develop the friendship of the Panamanian Government and of Panamanian citizens.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. LA FOLLETTE. I do.

Mr. LUCAS. Does the Senator believe there is any conflict between the correspondence recently carried on between the Panamanian Government and the Secretary of State in regard to the treaty and the treaty itself, which was ratified by Panama back in 1936?

Mr. LA FOLLETTE. I personally see no conflict, because, as the Senator knows, the exchange of notes merely embodied the interpretative notes which were made at the time the treaty was negotiated; and we are now officially advised that at the time the Panamanian Government ratified the treaty those notes were before the Panamanian Assembly.

Mr. CONNALLY. Mr. President, will the Senator yield at that point?

Mr. LA FOLLETTE. I yield.

Mr. CONNALLY. Was the note of the foreign minister, dated February 1, 1939, before the Panamanian Parliament?

Mr. LA FOLLETTE. No; but the note of the Panamanian Minister, dated February 1, 1939, quotes verbatim the interpretative note written at the time the treaty and article X thereof were negotiated; and we now are officially advised that all of those notes and interpretations were before the Panamanian Parliament when it acted upon the treaty and ratified it.

Mr. LUCAS. Mr. President, were those notes and the treaty in front of the Panamanian Government when it wrote the clarification letter?

Mr. PITTMAN. Mr. President, let me read this letter to the Senator. He was not here when I presented it.

Mr. LA FOLLETTE. I yield.

Mr. PITTMAN. This is the letter, dated this morning, to the Secretary of State, from the Minister of Panama:

JULY 25, 1939.

EXCELLENCY:

I am in receipt of Your Excellency's note of this date in which you state that you understand from the debate in the Senate of the United States yesterday on the treaties with Panama signed March 2, 1936, that the question was raised whether the Assembly of Panama had the notes and minutes of the treaty negotiations before it at the time the treaties were considered and ratified by that body.

I think that the best answer I may give to Your Excellency is to transcribe textually, in translation, Law No. 37 of 1936, which was passed by our assembly on the 24th of December 1936, and which reads as follows:

This is the law of ratification:

"THE NATIONAL ASSEMBLY OF PANAMA

"DECREES

"Only article: There are hereby approved and ratified in all their parts the General Treaty, the Radio Communications Convention, the Convention on the Transfer of the Stations of La Palma and Puerto Olbadía, and the Convention on the Trans-Isthmian Highway, signed in the city of Washington, March 2, 1936, by plenipotentiaries of the Governments of the Republic of Panama and of the United States of America, which is done taking into account the minutes and the exchanges of notes signed on the same date, and which contain interpretations and explanations of certain important aspects of the General Treaty and of the conventions aforementioned."

That is the end of the law of ratification.

From the law quoted above, Your Excellency will observe that the minutes and the notes were before the assembly and were considered and understood by it at the same time that the assembly ratified the treaty and conventions above mentioned.

Accept, Excellency, the sentiments of my highest consideration.

AUGUSTO S. BOYD.

His Excellency CORDELL HULL,
Secretary of State.

Mr. LUCAS. Then, undoubtedly, the Panamanian Government, having in front of it the notes and the treaty entered into back in 1936, considered the clarification letter a part of the treaty and those notes.

Mr. LA FOLLETTE. Mr. President, as I have stated, it seems to me that every power essential and necessary to the defense of the Panama Canal is protected by the treaty; and it comes down to a simple question of whether or not, by the ratification of the treaty without reservation or amendment, we desire to cultivate and encourage the friendship of the Panamanian Government and its people toward the Government of the United States. For that reason, I hope that no amendment or reservation will be agreed to.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Nevada one more question.

A moment ago the Senator from California [Mr. JOHNSON] made a very impassioned plea for nonratification of the treaty, and he indicated to me through that speech that the United States will lose some of its rights in the Panama Canal as a result of the ratification of the treaty. I do not believe that he fully explained what we shall lose as a result of ratification of the treaty, but I should like to have the Senator from Nevada reply to the implication or assertion which was made.

Mr. PITTMAN. That question has not been a serious one before the committee during the past 3 years. The treaty maintains the rights of all of the citizens of the United States who are now engaged in business in the Canal Zone. That is No. 1. It provides that United States citizens may engage in the sale of materials to the United States Government or to its employees or agents, soldiers, or others. It limits the amount of business which may be conducted in the Panama Canal Zone.

Mr. LUCAS. That is, it limits American citizens in the amount of business they may negotiate in the Canal Zone?

Mr. PITTMAN. Yes; in the Canal Zone.

Mr. LUCAS. At the present time there is no limitation on the amount of business they may transact?

Mr. PITTMAN. There is no limitation.

Mr. JOHNSON of California. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. JOHNSON of California. The treaty specifically supersedes article I of the convention of November 18, 1903. That is point No. 1 where we yield a power.

Thereafter in article II it insists that—

The United States of America hereby renounces the grant made to it in perpetuity by the Republic of Panama of the use, occupation, and control of lands and waters, in addition to those now under the jurisdiction of the United States of America.

That is point No. 2 where we yield a power.

The Senator can count up pretty high in the digits, if he desires, as to what is done in relation to the business at Panama, and he will see what is yielded.

Here is the ratification note of Cordell Hull dated March 2, 1936, which is couched in pleasant terms, and states:

With reference to section 1 of article III of the treaty signed today, wherein are specified the classes of persons to whom goods imported into the Canal Zone, or purchased, produced, or manufactured therein, may be sold by the Government of the United States

of America, I have the honor to confirm the understanding reached in the course of the recent negotiations, namely, that for the purposes of said section 1 of article III, the term "Officers, employees, workmen, or laborers in the service or employ of the United States of America," as it appears in section 2 (a) of said article III, is interpreted as referring exclusively to such persons whose services are related to the Panama Canal, the Panama Railroad Co., or their auxiliary works, and to duly accredited representatives of any branch of the Government of the United States of America exercising official duties within the Republic of Panama, including diplomatic and consular officers, and to members of their staffs.

Following that, I read a part of the statement given out by the representatives of Panama:

We wish to express our great pleasure at the statement made by the representatives of the Government of the United States of America during the negotiation of the treaty, that it is not the intention or desire of the Government of the United States of America to compete with Panamanian industry. We are also pleased to know with respect to the hotels—

Even the hotels—

in the Canal Zone that they were established for the purpose of meeting the necessities of the passenger traffic at a time when the hotels established in Panama were not entirely in position to do so; that as soon as this situation is satisfactorily altered the hotel business proper will be left in the hands of the industry established in Panama, and that the prosperity of the Republic of Panama in this, as in other respects, is earnestly desired by the United States of America.

We are carrying friendship pretty far in this treaty.

All through it run the indications that we will have nothing more to do with business in Panama. If an American has a business established in Panama, he is not permitted to transmit it to his offspring. It dies with him.

Mr. LUCAS. Does our Nation surrender any property rights under the treaty?

Mr. JOHNSON of California. No; the country does not. It is nationals of the country only who are affected in this way.

Mr. PITTMAN. We never gave any title to anyone in the Panama Canal Zone. Anyone who was doing business there was doing it by consent.

Mr. JOHNSON of California. No; we gave the God-given right of Americans to do business where they pleased and how they pleased, so far as they did it in a manner befitting Americans.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Texas [Mr. CONNALLY].

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER proceeded to put the question.

Mr. McNARY. Mr. President, I thought the ruling was that the yeas and nays had been ordered.

Mr. BARKLEY. Not on this amendment.

The PRESIDING OFFICER. The yeas and nays were ordered on the amendment offered by the Senator from Rhode Island [Mr. GERRY].

Mr. McNARY. I asked for the yeas and nays just a moment ago.

The PRESIDING OFFICER. An insufficient number seconded the request.

Mr. McNARY. Then I suggest the absence of a quorum, because I am satisfied that a sufficient number of Senators are in favor of having the yeas and nays taken.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Byrnes	Guffey	Lucas
Andrews	Capper	Gurney	McCarran
Ashurst	Chavez	Hale	McKellar
Austin	Clark, Idaho	Hatch	McNary
Bailey	Clark, Mo.	Hayden	Maloney
Bankhead	Connally	Herring	Mead
Barbour	Danaher	Hill	Miller
Barkley	Davis	Holman	Minton
Bilbo	Downey	Hughes	Neely
Bone	Ellender	Johnson, Calif.	Norris
Borah	Frazier	Johnson, Colo.	Nye
Bridges	George	King	O'Mahoney
Brown	Gerry	La Follette	Overton
Bulow	Gibson	Lee	Pepper
Burke	Gillette	Lodge	Pittman
Byrd	Green	Logan	Radcliffe
Reed	Sheppard	Tobey	Walsh
Russell	Smathers	Truman	Wheeler
Schwartz	Taft	Vandenberg	White
Schwellenbach	Thomas, Utah	Wagner	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Texas [Mr. CONNALLY].

Mr. McNARY. Upon that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Is the vote on the Connally amendment?

The PRESIDING OFFICER. The vote is on the Connally amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that my colleague [Mr. SLATTERY] is unavoidably detained from the Senate. If present he would vote "nay."

Mr. GREEN (after having voted in the negative). I have a pair with the Senator from Wisconsin [Mr. WILEY]. I transfer that pair to the Senator from Illinois [Mr. SLATTERY], and allow my vote to stand.

Mr. McNARY (after having voted in the affirmative). I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who I observe is absent from the Senate. I transfer that pair to the senior Senator from Delaware [Mr. TOWNSEND] and let my vote stand.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from South Carolina [Mr. SMITH] are detained from the Senate because of illness in their families.

The Senator from Ohio [Mr. DONAHEY] is unavoidably detained.

The Senator from Arkansas [Mrs. CARAWAY], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senator from West Virginia [Mr. HOLT], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Indiana [Mr. VAN NUYS] are absent on important public business.

The Senator from Montana [Mr. MURRAY] is detained in a conference at the White House.

The Senator from Tennessee [Mr. STEWART] is detained in one of the Government departments.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed how he would vote on this question if he were present. I therefore withhold my vote. If at liberty to vote, I should vote "nay."

The result was announced—yeas 30, nays 49, as follows:

YEAS—30

Austin	Danaher	Johnson, Calif.	Reed
Bailey	Davis	Johnson, Colo.	Sheppard
Barbour	Frazier	King	Taft
Bridges	Gerry	Lodge	Tobey
Burke	Gibson	McKellar	Vandenberg
Byrd	Gurney	McNary	White
Clark, Mo.	Hale	Miller	
Connally	Holman	Nye	

NAYS—49

Adams	Clark, Idaho	Lee	Radcliffe
Andrews	Downey	Logan	Russell
Ashurst	Ellender	Lucas	Schwartz
Bankhead	George	McCarran	Schwellenbach
Barkley	Gillette	Maloney	Smathers
Bilbo	Green	Mead	Thomas, Utah
Bone	Guffey	Minton	Truman
Borah	Hatch	Neely	Wagner
Brown	Hayden	Norris	Walsh
Bulow	Herring	O'Mahoney	Wheeler
Byrnes	Hill	Overton	
Capper	Hughes	Pepper	
Chavez	La Follette	Pittman	

NOT VOTING—17

Caraway	Lundeen	Smith	Van Nuys
Donahey	Murray	Stewart	Wiley
Glass	Reynolds	Thomas, Okla.	
Harrison	Shipstead	Townsend	
Holt	Slattery	Tydings	

So Mr. CONNALLY'S amendment was rejected.

The PRESIDING OFFICER. The treaty is still before the Senate and open to amendment. If there be no further amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, Seventy-fourth Congress, second session, a general treaty between the United States of America and the Republic of Panama, signed at Washington on March 2, 1936.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

Mr. JOHNSON of California. On that question I ask for the yeas and nays.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. An amendment was offered yesterday by the Senator from Rhode Island [Mr. GERRY].

The PRESIDING OFFICER. The amendment was withdrawn.

The Chair is informed that if there are reservations to be made to the treaty they must be made at this time. If there be no reservations, the question is on agreeing to the resolution of ratification.

Mr. JOHNSON of California. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if he were present and voting he would vote "yea." If permitted to vote I should vote "nay."

The roll call was concluded.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. I inquire if my colleague [Mr. SLATTERY] is paired?

The PRESIDING OFFICER. The Chair is informed that there is no information at the desk on that question.

Mr. LUCAS. My colleague is unavoidably detained. If present he would vote "yea."

Mr. MINTON. I announce that the Senator from Arkansas [Mrs. CARAWAY], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are absent on important business. I am advised that if present and voting these Senators would vote "yea."

The Senator from Ohio [Mr. DONAHEY] and the Senator from West Virginia [Mr. HOLT] are unavoidably detained.

The Senator from North Carolina [Mr. REYNOLDS] and the Senator from South Carolina [Mr. SMITH] are detained from the Senate because of illness in their families.

The Senator from Minnesota [Mr. LUNDEEN] is absent on important public business.

The result was announced—yeas 65, nays, 16, as follows:

YEAS—65

Adams	Clark, Mo.	La Follette	Radcliffe
Andrews	Connally	Lee	Russell
Ashurst	Downey	Logan	Schwartz
Bailey	Ellender	Lucas	Schwellenbach
Bankhead	George	McCarran	Sheppard
Barkley	Gerry	McKellar	Smathers
Bilbo	Gibson	Maloney	Stewart
Bone	Gillette	Mead	Thomas, Utah
Borah	Green	Miller	Truman
Brown	Guffey	Minton	Van Nuys
Bulow	Hatch	Murray	Wagner
Burke	Hayden	Neely	Walsh
Byrd	Herring	Norris	Wheeler
Byrnes	Hill	O'Mahoney	White
Capper	Hughes	Overton	
Chavez	Johnson, Colo.	Pepper	
Clark, Idaho	King	Pittman	

NAYS—16

Austin	Frazier	Johnson, Calif.	Reed
Barbour	Gurney	Lodge	Taft
Bridges	Hale	McNary	Tobey
Danaher	Holman	Nye	Vandenberg

NOT VOTING—15

Caraway	Harrison	Shipstead	Townsend
Davis	Holt	Slattery	Tydings
Donahey	Lundeen	Smith	Wiley
Glass	Reynolds	Thomas, Okla.	

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

PANAMA—CONVENTION REGARDING THE CONSTRUCTION OF A TRANS-ISTHMIAN HIGHWAY

Mr. PITTMAN. Mr. President, there are three collateral conventions on the calendar. In view of the vote, I do not think there will be any debate over any of them. One of them is with regard to building a road across the Isthmus of Panama. The second is with regard to conforming to the radio convention providing for the regulation of radio communications. The third is a convention transferring certain radio stations to Panama.

I ask that Calendar No. 8, the convention regarding the construction of a trans-Isthmian highway, be laid before the Senate.

Mr. WHITE. Mr. President, I have no objection to the convention regarding the construction of a trans-Isthmian highway. However, I wish to take a moment to express my opposition to the conventions dealing with the radio situation.

Mr. PITTMAN. That is the reason why I asked for the consideration of the highway convention first. I did not know of any objection to it.

Mr. McNARY. Mr. President, I reserve the right to object if consideration of the convention leads to any debate.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. Certainly.

Mr. KING. Under the terms of the convention, is there any obligation on the part of the United States to construct a road?

Mr. PITTMAN. There is not.

Mr. KING. Or is it merely permissive?

Mr. PITTMAN. The convention grants permission to build a road.

The PRESIDING OFFICER. Is there objection to the present consideration of the treaty?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the convention, Executive E (74th Cong., 2d sess.), a convention between the United States of America and the Republic of Panama, with regard to the construction of a trans-Isthmian highway between the cities of Panama and Colon, signed at Washington on March 2, 1936, which was read the second time, as follows:

HIGHWAY BETWEEN PANAMA AND COLON

The United States of America and the Republic of Panama, in order to arrange for the completion of a highway between the cities of Panamá and Colón through territory under their respective jurisdictions, hereinafter referred to as the Trans-Isthmian Highway, have resolved to conclude a Convention for that purpose and have appointed as their Plenipotentiaries:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America, and Mr. Sumner Welles, Assistant Secretary of State of the United States of America; and

The President of the Republic of Panama:

The Honorable Doctor Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of Panama to the United States of America, and The Honorable Doctor Narciso Garay, Envoy Extraordinary and Minister Plenipotentiary of Panama on special mission;

Who, having communicated to each other their respective full powers, which have been found to be in good and due form, have agreed upon the following:

ARTICLE I

In order to make possible the completion of the Trans-Isthmian Highway, the Government of the United States of America undertakes to obtain such waiver from the Panama Railroad Company of its exclusive right to establish roads across the Isthmus of Panama as is necessary to enable the Government of the Republic of Panama to construct a highway from a point on the boundary of the Madden Dam area at Alhajuela to a point on the boundary of the Canal Zone near Cativá.

ARTICLE II

As a contribution to the completion of the Trans-Isthmian Highway, the United States of America will construct without delay and at its own expense that portion of the Highway between the Canal Zone boundary near Cativá and a junction with the Fort Randolph

Road near France Field, which portion shall thereafter be maintained by the Republic of Panama at its own expense.

ARTICLE III

Prior to the undertaking of further construction on the Trans-Isthmian Highway, each Government will appoint an equal number of representatives, who will constitute a joint board with authority to adjust questions of detail regarding the location, design and construction of the portions of the Highway falling under the jurisdiction of each Government. Questions of detail on which the board may fail to reach an agreement will be referred to the two Governments for settlement.

ARTICLE IV

The sections of the Trans-Isthmian Highway which are to be constructed by each Government shall have the following minimum characteristics:

(*a*) *Pavement.*—Concrete; normal width 18 feet, suitably widened on curves of 5 degrees or sharper; of the thickened edge type of 9" – 7" – 9" section, with proper reinforcement with steel in accordance with good practice; provision for suitable longitudinal and transverse joints, sealed with an asphalt filler, and with adjacent slabs properly doweled.

(*b*) *Gradients.*—maximum 8 percent.

(*c*) *Curves.*—maximum 12 degrees, properly superelevated and suitably widened pavement when of 5 degrees or sharper.

(*d*) *Bridges and Culverts.*—to be two-way, of a width of 20 feet; of capacity to carry live loads equivalent to 20-ton truck with 14 tons on rear axle and 6 tons on front axle; and so located and of such span or size as to afford adequate drainage under maximum flow.

(*e*) *Right of Way.*—to be of ample width to accommodate the pavement plus 4-foot berms and drainage ditches and to provide for suitable slopes in cuts and fills; the right to be reserved to each of the two Governments to install and use telegraph and telephone lines of either pole line construction or underground cable construction in that part of the Trans-Isthmian Highway subject to the jurisdiction of the other Government.

ARTICLE V

The portions of the Trans-Isthmian Highway which the two Governments undertake to construct according to the provisions of this Convention will be completed within a period of ten years after the entrance into force of the Convention. The two Governments will consult with each other with a view to coordinating the construction of the two portions of the highway so far as may be feasible in order that the usefulness of one portion may not be unduly impaired by a failure to complete the other portion.

ARTICLE VI

The United States of America and the Republic of Panama shall maintain in a good state of repair at all times the portions of the Trans-Isthmian Highway within their respective jurisdictions.

ARTICLE VII

Subject to the laws and regulations relating to vehicular traffic in force in their respective jurisdictions the United States of America and the Republic of Panama shall enjoy equally the use of the Trans-Isthmian Highway.

ARTICLE VIII

The present Convention shall be ratified in accordance with the constitutional methods of the High Contracting Parties and shall take effect immediately on the exchange of ratifications which shall take place at Washington.

IN WITNESS WHEREOF, the Plenipotentiaries have signed this Convention in duplicate in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

DONE at the city of Washington the second day of March, 1936.

[SEAL] CORDELL HULL.
[SEAL] SUMNER WELLES.
[SEAL] R. J. ALFARO.
[SEAL] NARCISO GARAY.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive E, Seventy-fourth Congress, second session, a convention between the United States of America and the Republic of Panama with regard to the construction of a Trans-Isthmian Highway between the cities of Panama and Colon, which was signed at Washington on March 2, 1936.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to and the convention is ratified.

PANAMA—RADIO CONVENTIONS

Mr. PITTMAN. Mr. President, it has been indicated by the Senator from Maine [Mr. WHITE] that he wishes to discuss the radio conventions. Therefore, in consideration of the fact that I know the Senator from Kentucky [Mr. BARKLEY] desires to return to a bill which is pending in legislative session, I shall not at this time urge consideration of those conventions.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

WAGES UNDER WORK PROJECTS ADMINISTRATION

Mr. MALONEY. Mr. President, I ask unanimous consent that there may be published in the RECORD at this point an editorial from the Bridgeport Times-Star referring to the matter of a cut in security wages under the W. P. A., and a telegram on the subject of the W. P. A. bill which I received from Mayor George J. Coyle, of New Britain, Conn.

There being no objection the editorial and telegram were ordered to be printed in the RECORD, as follows:

[From the Bridgeport Times-Star of July 22, 1939]

MALONEY ON W. P. A. WAGES

Connecticut Senator MALONEY is apparently on solid ground when he tells his colleagues at Washington that the W. P. A. intends to interpret one of the sections of the new relief act as instruction to raise the rate of W. P. A. wages in the South and lower those in the North and West.

The section in question directs that geographical differentials in the W. P. A. monthly security wage shall be equalized, insofar as is harmonious with living costs.

W. P. A. authorities are apparently preparing to pay little heed to the difference in living costs between the North and South, and to proceed, on September 1, to the elimination of geographical differences in the W. P. A. wage.

This will mean that the W. P. A. wage in the South is raised and that, to make this possible without adding to the cost of the entire W. P. A. national pay roll, the W. P. A. wage in the North and West will be dropped.

It would be an error for the North to regard this as a sectional battle—as Senator Maloney does—if it were not for the fact that the South itself began it as a sectional battle. Regardless of living costs, southern Members of Congress wanted southern W. P. A. wages raised to the level of northern wages, and this section of the new relief act is a direct result of their strategical stranglehold upon Congress.

We in the North know that the monthly security wage in effect on the W. P. A. here is no more than that—that it barely provides subsistence for those families who have to rely upon it.

The object of the southern bloc in Congress was to make the standard of living on the W. P. A. in the South better and higher than it is in the North. That would be inevitable, if wages are equalized.

Senator MALONEY holds that W. P. A. Commissioner Harrington doesn't have to interpret this section of the bill as a direct order to equalize wages at the expense of the North. He holds that the present northern rate of pay represents the absolute minimum for maintenance of a bare living standard.

We hope he is right legally; we know he is right morally and practically. His colleagues of the North and West should rally round him in his stand.

NEW BRITAIN, CONN., *July 24, 1939.*

Senator FRANCIS T. MALONEY,
Senate Office Building, Washington, D. C.:

Press reports indicate that Senator MURRAY, of Montana, will offer amendment to Relief Act to restore employment to 650,000 W. P. A. workers. As mayor of New Britain I respectfully urge you to support the proposed amendment or to offer one of your own in order that thousands of our people may continue to eat. Situation may become desperate if immediate restoration of employment is not effected.

Mayor GEORGE J. COYLE.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution of the San Francisco County (Calif.) Council of Labor's Nonpartisan League favoring the repeal of recently enacted legislation affecting the hours and wages of W. P. A. workers and the enactment of legislation restoring certain bene-

fits to workers under the W. P. A., which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of Ellis Jirous Post No. 53, American Legion, of Perry, Okla., favoring the enactment of legislation to grant a service pension to all veterans of the World War and to all widows and other eligible dependents of deceased veterans of such war, which was referred to the Committee on Finance.

He also laid before the Senate a letter in the nature of a petition from the New York State Federation of Post Office Clerks praying for the prompt enactment of legislation to grant sick and vacation privileges to substitute employees of the Postal Service, which was referred to the Committee on Post Offices and Post Roads.

W. P. A. RELIEF WORK

Mr. WALSH. Mr. President, I present a letter embodying a resolution from the general board of the Brotherhood of Shoe and Allied Craftsmen, urging the Senate to take action to modify the Work Relief and Relief Act of 1940, so that heads of families and workers over 45 years of age may be exempt from this act. I ask that this letter or petition be printed in the CONGRESSIONAL RECORD and appropriately referred.

There being no objection, the letter, in the nature of a petition, was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

BROTHERHOOD OF SHOE AND ALLIED CRAFTSMEN,
Brockton, Mass., July 21, 1939.

The Honorable DAVID I. WALSH,
The United States Senate, Washington, D. C.

DEAR SIR: The general board of the Brotherhood of Shoe and Allied Craftsmen at its meeting held on July 17, 1939, has requested me to inform you of its position in regard to the Emergency Relief Appropriation Act of 1939 as many of the brotherhood's 12,000 membership are directly affected by the above-mentioned act. At this meeting the general board unanimously adopted the following resolution:

Whereas the Brotherhood of Shoe and Allied Craftsmen is convinced that the right to work is a fundamental human liberty and is unalterably opposed to the substitution of public dole for public work; and

Whereas section 16 (b) of the Emergency Relief Appropriation Act of 1939 provides for the laying off by September 1, 1939, of all W. P. A. relief workers who have been continuously employed for 18 months, which, in our opinion, will bring great suffering to thousands of such workers who have no other means of sustenance: Therefore, be it

Resolved, That we, the Brotherhood of Shoe and Allied Craftsmen, hereby request that you bring before the Senate at once a bill designed to modify this act so that heads of families and workers over 45 years of age be exempted from this section of the act.

We trust that those workers who because of their inability to obtain employment in private industry are forced to depend upon W. P. A. relief work to support themselves and their families will receive your full cooperation as requested in the above resolution.

Very truly yours,

BROTHERHOOD OF SHOE AND ALLIED CRAFTSMEN,
By WALTER V. RISLEY, *General President.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes;

H. R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a real estate commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes; and

H. J. Res. 367. Joint resolution to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

REPORTS OF COMMITTEES

Mr. RUSSELL, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536) (Rept. No. 916);

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States (Rept. No. 917); and

H. R. 6724. An act to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens (Rept. No. 918).

Mr. BARKLEY, from the Committee on Finance, to which was referred the bill (S. 2712) to amend section 2803 (c) of the Internal Revenue Code, reported it with amendments and submitted a report (No. 919) thereon.

Mr. GEORGE, from the Committee on Finance, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 134. A bill providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes (Rept. No. 939);

S. 2866. A bill to provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treatment (Rept. No. 920); and

S. 2867. A bill to authorize the Administrator of Veterans' Affairs to transfer by quitclaim deed to the Pennsylvania Railroad Co., for right-of-way purposes, a small strip of land at Veterans' Administration facility, Coatesville, Pa. (Rept. No. 921).

Mr. CLARK of Missouri, from the Committee on Finance, to which was referred the bill (H. R. 5450) to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed, reported it without amendment and submitted a report (No. 922) thereon.

Mr. JOHNSON of Colorado, from the Committee on Finance, to which was referred the bill (H. R. 6268) to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions, reported it without amendment and submitted a report (No. 923) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the bill (H. R. 6479) amending section 2857 of the Distilled Spirits Act, reported it with an amendment to the title and submitted a report (No. 924) thereon.

Mr. GUFFEY, from the Committee on Finance, to which was referred the bill (H. R. 6555) to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with

the enforcement of the customs laws, reported it without amendment and submitted a report (No. 925) thereon.

Mr. KING, from the Committee on Finance, to which was referred the bill (H. R. 6556) to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes, reported it without amendment and submitted a report (No. 926) thereon.

Mr. BYRD (for Mr. BARKLEY), from the Committee on the Library, to which was referred the joint resolution (H. J. Res. 183) authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge, reported it without amendment.

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (S. 628) to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years, reported it with amendments and submitted a report (No. 927) thereon.

He also, from the same committee, to which was referred the bill (S. 844) to simplify the accounts of the Treasurer of the United States, and for other purposes, reported it without amendment and submitted a report (No. 928) thereon.

Mr. MALONEY, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2355. A bill for the relief of Benno von Mayrhauser and Oskar von Mayrhauser (Rept. No. 932); and

S. 2492. A bill for the relief of Dane Goich (Rept. No. 933).

Mr. MAHONEY also, from the Committee on Immigration, to which was referred the bill (S. 2598) for the relief of Kurt Wessely, reported it with an amendment and submitted a report (No. 934) thereon.

Mr. ANDREWS, from the Committee on Immigration, to which was referred the bill (S. 2030) for the relief of Mira Friedberg (Mira Dworecka), reported it with amendments and submitted a report (No. 935) thereon.

Mr. SMATHERS, from the Committee on Immigration, to which was referred the joint resolution (S. J. Res. 37) for the relief of Kam N. Kathju, reported it with an amendment and submitted a report (No. 936) thereon.

Mr. LA FOLLETTE, from the Committee on Finance, to which was referred the resolution (S. Res. 160) directing the Tariff Commission to investigate certain facts concerning domestic productions and importations of wood pulp or pulpwood (submitted by Mr. BORAH on July 12, 1939), reported it with an amendment and submitted a report (No. 938) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 3409) to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes, reported it with amendments and submitted a report (No. 940) thereon.

Mr. PEPPER, from the Committee on Commerce, to which was referred the bill (H. R. 4306) to make the United States Coast Guard Academy library a public depository for Government publications, reported it without amendment and submitted a report (No. 941) thereon.

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (S. 2859) to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes, reported it with amendments and submitted a report (No. 942) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6273) to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other Acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules, reported it without amendment and submitted a report (No. 943) thereon.

Mr. LEE, from the Committee on Commerce, to which was referred the bill (H. R. 3224) creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss., reported it with amendments and submitted a report (No. 944) thereon.

Mr. HUGHES, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 166. A bill for the relief of Nathan Kaplan (Rept. No. 929);

S. 1510. A bill for the relief of George Louis Artick (Rept. No. 930);

S. 1617. A bill for the relief of John Nicholas Chicouras (Rept. No. 948); and

S. 2427. A bill authorizing the naturalization of John Ullmann, Jr. (Rept. No. 931).

Mr. STEWART, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1870. A bill for the relief of Dionis Moldowan (Rept. No. 951); and

S. 2830. A bill to provide for the registration of aliens (Rept. No. 937).

Mr. CAPPER, from the Committee on Immigration, to which was referred the bill (S. 2527) for the relief of Mary Nouhan, reported it without amendment and submitted a report (No. 949) thereon.

Mr. SCHWELLENBACH, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

S. 1326. A bill for the relief of Janet Hendel, nee Judith Shapiro (Rept. No. 946); and

H. R. 5056. A bill for the relief of Nicholas Contopoulos.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 2277. A bill for the relief of Nicholas Contopoulos (Rept. No. 952); and

H. R. 6435. A bill to authorize cancelation of deportation in the case of Louise Wohl (Rept. No. 947).

Mr. THOMAS of Utah, from the Committee on Education and Labor, to which was referred the bill (S. 1110) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, reported it with an amendment and submitted a report (No. 950) thereon.

INVESTIGATION OF IMMIGRATION PROBLEM—REPORT OF A COMMITTEE

Mr. HOLMAN, from the Committee on Immigration, to which was referred the resolution (S. Res. 168) providing for an investigation of the immigration of aliens into the United States (submitted by Mr. HOLMAN on July 21, 1939), reported it with an amendment, submitted a report (No. 945) thereon, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ADDITIONAL COPIES OF RULES AND NOTES OF CIVIL PROCEDURE FOR DISTRICT COURTS

Mr. HAYDEN. From the Committee on Printing I report back favorably, without amendment, Senate resolution 162, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 162), submitted by Mr. ASHURST on July 13, 1939, was considered and agreed to, as follows:

Resolved, That House Document No. 460, Seventy-fifth Congress, third session, entitled "Rules of Civil Procedure for the District Courts of the United States," and House Document No. 588, Seventy-fifth Congress, third session, entitled "Notes to the Rules of the Civil Procedure for the District Courts of the United States,"

be printed in one volume with an index and bound, as may be directed by the Joint Committee on Printing; and that 550 additional copies shall be printed, of which 100 copies shall be for the use of the Senate and 450 copies for the use of the House of Representatives.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2880. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher; to the Committee on Claims.

By Mr. BROWN:

S. 2881. A bill for the relief of Elsie D. Frayer; to the Committee on Finance.

S. 2882. A bill for the relief of Julius Porath;

S. 2883. A bill for the relief of Daniel Steele;

S. 2884. A bill for the relief of Glen E. Robinson, doing business as the Robinson Marine Construction Co.; and

S. 2885. A bill for the relief of Glen E. Robinson, doing business as the Robinson Marine Construction Co.; to the Committee on Claims.

S. 2886. A bill to vest absolute in the City of Dearborn, Wayne County, Mich., the title to lot 19 of Detroit Arsenal grounds subdivision, Wayne County, Mich.; to the Committee on Public Lands and Surveys.

S. 2887 (by request). A bill to amend section 2169, United States Revised Statutes, being title 8, section 359, United States Code; to the Committee on Immigration.

S. 2888 (by request). A bill to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes"; to the Committee on Military Affairs.

By Mr. GILLETTE:

S. 2889. A bill to provide for the gratuitous distribution of the CONGRESSIONAL RECORD to certain radio correspondents; to the Committee on Printing.

By Mr. WALSH:

S. 2890. A bill to permit per diem employees of the Naval Establishment to work more than 8 hours per day under certain circumstances; and

S. 2891. A bill to amend the act of October 6, 1917, "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service"; to the Committee on Naval Affairs.

By Mr. BAILEY:

S. 2892. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Commerce.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, as indicated below:

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes; to the Committee on the District of Columbia; and

H. J. Res. 367. Joint resolution to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes; to the Committee on Foreign Relations.

FLOOD CONTROL—AMENDMENT

Mr. SHEPPARD and Mr. MINTON each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 6634) amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes, which were ordered to lie on the table and to be printed.

MOTION TO DISCHARGE COMMITTEE STRICKEN FROM CALENDAR

Mr. NEELY. Mr. President, under the heading of "Subjects on the Table," in the calendar of business of the Senate, appears the following:

Motion of the Senator from West Virginia [Mr. NEELY] to discharge the Committee on Interstate Commerce from further consideration of Senate bill 280.

I move that the motion be indefinitely postponed, and that all reference to it be stricken from the calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES—AMENDMENTS

Mr. ASHURST submitted an amendment, and Mr. TAFT submitted sundry amendments intended to be proposed by them, respectively, to the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which were ordered to lie on the table and to be printed.

HEARINGS BEFORE COMMITTEE ON PRINTING

Mr. HAYDEN submitted the following resolution (S. Res. 171), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Printing, or any subcommittee thereof, is authorized, during the Seventy-sixth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

REPORT OF COMMITTEE ON COMMERCE

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (S. 2892) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, reported it without amendment.

THE NATIONAL DAIRY PROBLEM—ADDRESS BY SENATOR LA FOLLETTE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a radio address by him on the National Dairy Problem, broadcast by transcription over station WHA, Madison, Wis., May 4, 1939, which appears in the Appendix.]

PRELIMINARY REPORT OF TEMPORARY NATIONAL ECONOMIC COMMITTEE—ADDRESS BY SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on July 24, 1939, on the subject, The Preliminary Report of the Monopoly Committee, together with newspaper articles by John T. Flynn, Hugh S. Johnson, and David Lawrence, which appear in the Appendix.]

ADDRESS BY CHAPLAIN OF THE SENATE AT GRADUATION EXERCISES OF THE UNIVERSITY OF VERMONT

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address entitled "The Momentous Decisions of Life," delivered by Rev. ZeBarney T. Phillips, D. D., Chaplain of the Senate, on the occasion of the one hundred and forty-eighth graduation exercises at the University of Vermont, at Burlington, Vt., on June 12, 1939, together with the introduction by Dean J. L. Hills, which appears in the Appendix.]

ROUND-TABLE DISCUSSION ON WORKS FINANCING ACT OF 1939

[Mr. WAGNER asked and obtained leave to have printed in the RECORD the round-table radio discussion on the Works Financing Act of 1939 broadcast on Monday, July 24, 1939, which appears in the Appendix.]

PHILIPPINE MARKET—ADDRESS BY HORACE B. POND

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an address on the subject of The Philippine Market, delivered at Manila, P. I., on May 27, 1939, by Horace B. Pond, president of the Pacific Commercial Co., which appears in the Appendix.]

AMENDMENT OF PATENT LAWS—STATEMENT BY PARKER, CARLSON, PITZNER & HUBBARD

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a statement prepared by Parker, Carlson, Pitzner & Hubbard, of Chicago, relative to Senate bill 2688, to amend section 4884 of the Revised Statutes (U. S. C., title 35, sec. 40), which appears in the Appendix.]

SLUM CLEARANCE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a list of the organizations and individuals endorsing Senate bill 591, authorizing the expansion of the slum clearance and low-rent housing programs, which appears in the Appendix.]

EQUITY FINANCING

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Equity Financing," by H. I. Phillips, reprinted from the New York Sun, which appears in the Appendix.]

INCREASE IN GOVERNMENT AGENCIES

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article in Nation's Business for August, 1939, under the headline "The State vs. The Citizen. Tragic Chronicle of the Quickening Pace of Political Control," which appears in the Appendix.]

RISE IN TRADE INDEX—ARTICLE FROM WASHINGTON POST

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article published in the Washington Post of July 24, 1939, dealing with the increase in the trade index during the past 12 months, which appears in the Appendix.]

RESIGNATION OF HON. JESSE H. JONES

Mr. SHEPPARD. Mr. President, I desire to place in the RECORD a letter to the President of the United States from Hon. Jesse H. Jones, tendering his resignation as a member of the Board of Directors of the Reconstruction Finance Corporation in order that he might accept appointment as Federal Loan Administrator, and the President's reply thereto.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

RECONSTRUCTION FINANCE CORPORATION,
Washington, July 15, 1939.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I hereby tender you my resignation as a member of the Board of Directors of the Reconstruction Finance Corporation in order that I may accept appointment by you as Federal Loan Administrator under your reorganization plan No. I.

When I came to the R. F. C. upon its establishment, February 2, 1932, it was assumed that the conditions which caused the creation of the Corporation by Congress would soon pass. The breakdown in our financial and economic affairs has been repaired, but the readjustment is taking much longer than any of us expected.

It has been an honor and a privilege to serve as a director of the R. F. C. and as Chairman of its Board during this reconstruction period, and I shall be glad to contribute what I can as Federal Loan Administrator.

My greatest compensation in my R. F. C. work has been the continued confidence and support which you have given me, and the confidence of Congress, my associates in the Corporation, and the business world generally. Whatever success I may have had in furnishing leadership to the organization has been due to that confidence and support.

The Corporation is solvent. It has sound assets sufficient to pay all of its debts and return to the Treasury the entire capital stock invested in it, with something in addition.

I have said on many occasions that the R. F. C. organization is as capable as that of any privately owned business. I wish to emphasize that statement and to bespeak for the organization and for my successor as Chairman the same confidence and support that I have enjoyed. Mr. Schram is competent; the organization is competent. They are in every way worthy of confidence and support.

Sincerely yours,

JESSE H. JONES, *Chairman.*

THE WHITE HOUSE,
Washington, July 18, 1939.

Hon. JESSE H. JONES,
Reconstruction Finance Corporation, Washington, D. C.

DEAR JESSE: I have received and accepted your resignation as a member of the Board of the Reconstruction Finance Corporation, but I do so only because of your undertaking the work of Federal Loan Administrator.

The Reconstruction Finance Corporation under your chairmanship has made an amazing record of financial efficiency, while at the same time assisting many banks, corporations, and individuals to continue solvent and to do their part in giving employment and keeping the wheels of industry turning.

Your statement that the Reconstruction Finance Corporation "has sound assets sufficient to pay all of its debts and return to the Treasury the entire capital stock invested in it, with something in addition," reminds me that in 1933, 1934, 1935, and 1936 a few people in the executive branch of the Government, more people in the Congress of the United States, and many individuals and newspapers in civil life were announcing to the Nation that the Reconstruction Finance Corporation was broke and that the Government would not get back more than 50 cents on the dollar.

These people were in some cases honest in their belief, but in many cases were making these ghoulish statements with the hope that their own type of partisanship would thereby be served. In either case their action did little to encourage the "confidence" they were so loudly talking about. In either case their gloomy predictions proved false.

I call this matter of history to your attention because it is illustrative of the difficulties which public servants find in carrying out their duties.

You, the fellow members of your Board, and all of us who have some confidence in the good sense of the American people, and confidence in the ability of honest government to cope with difficult situations, which have not been solved by wholly private efforts, have a right to some measure of pride in the Reconstruction Finance Corporation.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

ADDITIONAL DISTRICT AND CIRCUIT JUDGES

Mr. ASHURST. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2185) to provide for the appointment of additional district and circuit judges.

Mr. REED obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BARKLEY. I understand that when the bill was laid aside yesterday a motion to recommit had been made, and that that motion is now the pending question.

The PRESIDENT pro tempore. The situation is as stated by the Senator from Kentucky.

Mr. BARKLEY. I ask unanimous consent that not later than 2 p. m. today the Senate proceed to vote on the motion to recommit; and, if that motion shall be rejected, that the Senate then proceed to vote on the bill and any amendments thereto.

Mr. REED. Mr. President, I object, not because I desire to delay final consideration of the bill, but because I am not certain that by 2 o'clock we shall have had a fair opportunity to debate this very important measure. I assure the majority leader, the distinguished Senator from Kentucky [Mr. BARKLEY], that so far as I and anyone else for whom I can speak are concerned, there is no disposition to delay the bill.

Mr. BARKLEY. When we were about to adjourn yesterday, I understood it had been tentatively agreed among those who had been conferred with that we would vote today at an hour not later than 12:30, which would have given an hour and a half for debate. I do not wish to shut off any Senator who wishes to discuss the bill; but the Senator will appreciate that it is necessary for us to proceed with some expedition.

Mr. MCNARY. Mr. President, I can clarify the situation by saying that I was in accord with that suggestion. However, after consulting with the able Senator from Kansas, I learned that he intended to object.

Mr. BARKLEY. We will let the matter run along for a few minutes.

Mr. REED. Mr. President, it is always my desire, whenever possible, to support the report of a committee of this

body. The only way in which we can fairly legislate upon the tremendous number of subjects which come before us is through committees; and with me the report of a committee always has much weight. The report of the committee in this case has much weight. However, there is one outstanding and unusual circumstance attached to the report of the committee. After it made its report upon the question of the number of additional judges which should be approved and authorized, it introduced a witness of its own. Today I shall quote only from the witness brought into the case by the distinguished Senator from Vermont [Mr. AUSTIN] with the high approval of the Senator from Arizona [Mr. ASHURST], chairman of the Judiciary Committee.

In brief, Mr. President, the bill authorizes the appointment of two additional circuit judges and six additional district judges, being a lesser number than that recommended by the judicial conference, which was headed by the eminent Chief Justice of the United States. The committee took the liberty of not agreeing with the judicial conference. The committee made recommendations away below those of the judicial conference. The 9 or 10 or 11 old men in the case seem to have had not much more weight than "the 9 old men" had with the Congress upon a previous occasion.

But I wish, Mr. President, to call the attention of the Senate to the evidence introduced by a witness brought into this case by the committee itself. I refer to Judge Merrill E. Otis, a district judge of 14 years' experience and service, one of the most eminent jurists in the United States, who wrote an article which was put into the RECORD by the Senator from Vermont. In that article Judge Otis sets up for the first time, to my knowledge, a standard by which this body may be governed in the authorization of additional judges for the circuit and the district bench. I wish to read from the article of Judge Otis, the witness of the committee, in which he used the language which appears on page 9678 of the RECORD of last Friday. At that point Judge Otis went on to speak of the motives which should govern the judicial conference as well as the Senate and the House of Representatives of the United States in the selection of additional judges, and Judge Otis, in this very learned and able article, speaking of those who advocate more judges, I think rather optimistically, stated:

> They would spurn any effort of any politician to secure the creation of some new judgeship for the mere sake of patronage, although his efforts be buttressed by some specious showing or even by an honest showing of a need obviously transient. Packing a district court with unneeded judges is not only an economic waste; it is degrading and humiliating to every serving judge in the district affected. Responsible statesmen will welcome a measuring stick, if one can be devised, by the application of which to the work to be done in any district it can be determined whether a new judge is needed.

That testimony, Mr. President, was put in the RECORD with the approval of the Senator from Vermont and the approval of the Senator from Arizona, chairman of the Judiciary Committee. Judge Otis did provide a yardstick. I hope every Member of the Senate will read the article of Judge Otis, and really I wish that no Senator could be permitted to vote on this measure until he had read that article.

Mr. President, by the yardstick set up by the eminent witness brought into this picture by members of the committee itself there is not a single district judge recommended who is justified by that yardstick.

Mr. McCARRAN. Mr. President, will the Senator kindly yield at that point?

Mr. REED. I shall ease the mind of the Senator from Nevada if he will let me proceed for a moment.

Mr. McCARRAN. Very well.

Mr. REED. Although technically there are none of these additional judgeships that meet the yardstick measurement of Judge Otis, I would be disposed to say that perhaps two exceptions might be made and two additional judges possibly might be justified. I put at the top of that list an additional judge for the southern district of New York, and, because of the statement of the distinguished Senator from Nevada [Mr. McCARRAN] yesterday, who said he had made a personal investigation of the matter, I would be inclined to go further and allow one for the southern district of California, although, in all candor, it should be said that we have been allowing southern California additional judges to an extent that really ought to take care of the business there. However, I will, if I can, quiet the mind of the Senator from Nevada by saying that I shall not object to an additional judge for the southern district of California.

Mr. McCARRAN. Mr. President, now will the Senator kindly yield?

Mr. REED. I am glad to yield to the Senator from Nevada.

Mr. McCARRAN. May I, first of all, dispel the idea that I am at all interested from the standpoint of patronage, for I have no patronage in California. I was selected by the chairman of the Judiciary Committee to go into California to investigate conditions in the Federal courts in that State, and especially in the southern district of California. I did so impartially; and I say "impartially" because I have no personal interest whatever in California. There is no involvement of jurisdiction; there is nothing that crosses the State line except that California comes over to Nevada once in a while to get some money and take it back to California.

Mr. REED. May I break in on the Senator at that point?

Mr. McCARRAN. Certainly.

Mr. REED. I have been around Arizona and Nevada to a considerable extent, and I was under the impression that it was the hope of citizens of Arizona and Nevada that when they died they would go to California instead of going to Heaven. Perhaps that is not correct.

Mr. McCARRAN. That is the most incorrect statement ever uttered. May I say that my one outstanding idea of Heaven is that I may live and abide for eternity in the breast of my Saviour in Nevada. I would not select any other place of all the places of the earth save and except the place of my birth. So the Senator need have no concern in that respect.

But recurring to the original question, let me say to the Senator that the yardstick of Judge Otis, if it were applied to practical conditions and facts in the southern district of California it would apply a hundred percent, for I may say to the able Senator, that there is a limit of human endurance; men cannot work over 18 or 20 hours a day mentally or physically, and the judges in southern California are working to the very limit, to an extent that some of them have been broken down in health.

Mr. REED. I may say to the Senator from Nevada that I am not a lawyer, but I understand when a lawyer wins his case that is enough. I have said to the Senator from Nevada that, so far as I was concerned, I was not going to object to an additional judge for southern California. Does not that satisfy the Senator from Nevada?

Mr. McCARRAN. If the able Senator from Kansas is not a lawyer he will do until we find another one. [Laughter.]

Mr. REED. I have led a fairly respectable life up to this time. [Laughter.]

Mr. McCARRAN. That makes the Senator a lawyer.

Mr. REED. Mr. President, we have heard much in this country about "court packing." I disagreed profoundly with the President of the United States in what was called his "court packing" plan, not because I agreed with the decisions of the Court, but because I did not like the method of the President. But I am just as much opposed to "court packing" by the courts themselves through a judicial conference as I am to "court packing" in any other way. I desire to read further upon this point from the testimony of the distinguished witness, who was brought into this case by the Judiciary Committee itself. Judge Otis, in a footnote referring to that part of his statement which I have already read, says:

> Regretfully it must be said that instances of such efforts have been numerous.

That is to say, efforts to increase the number of judges upon the bench of the circuit and district courts for the purpose of increasing patronage. That is what Judge Otis was referring to in his footnote.

I charge the mind of the Senate with this statement:

> Even the Conference of Senior Circuit Judges occasionally has been misled to suggest additional judgeships where there was no need. The conference and Congress would do well to consult the district judges on the ground and the organized bar, not for recommendations but for facts. They might hope to get accurate information from such sources.

Mr. President, every lawyer—and most of the Members of this body are lawyers—every student of public questions knows that litigation is declining. It is the complaint of lawyers everywhere that, because of the decline in litigation, they are having more and more difficulty in earning a living practicing law. It is the testimony of judges generally that, because of that fact, their terms of court are shorter. Yet in the period of the past 15 or 20 years there have been appointed additionally to the district and circuit courts of the United States the following number of judges:

Under the Harding administration, 26 additional district judges were appointed and 1 circuit judge.

Under the Coolidge administration, 22 district and 2 circuit judges.

Under the present administration, 41 additional district judges and 7 circuit judges.

And now we are faced with a recommendation from the judicial conference for additional judges, both district and circuit.

Let me use as an illustration the policy of the judicial conference as to my own State of Kansas. The judicial conference and the Attorney General recommended an additional district judge for Kansas. My colleague the senior Senator from Kansas [Mr. CAPPER], who sits here at my left, and I told the chairman of the Judiciary Committee that Kansas did not need an additional judge. We did not want to take the responsibility for incurring an expenditure which was not justified by the appointment for life of a man who, once in office, could be removed only through impeachment. Therefore, we asked the chairman of the Judiciary Committee to leave Kansas out of the bill, and he did so. Yet, by the yardstick of Judge Otis, not only does every one of the courts for which these additional judges are recommended fail to meet the requirement but in most cases they fall below what actually is taking place in the United States court in Kansas.

I desire to say, for the information of the chairman of the Judiciary Committee—I am speaking now to the question of the bill being recommitted—that if that motion fails—it should not fail, but if it does fail—I expect to offer several amendments to the bill. I make my last appeal, without much hope of its being accepted, to the distinguished Senator from Arizona [Mr. ASHURST], the chairman of the committee, and to the distinguished Senator from Vermont [Mr. AUSTIN], a member of the committee, and say to them that in this situation I should infinitely prefer to recommit the bill to the committee, to let the committee take up these questions and work them out where they will have more time, where the work can be done more intelligently, where that kind of work ought to be done, than to try to amend the bill from the floor. The latter is not a good way to legislate, and I should be very much happier if my very good friend the Senator from Arizona—whose graciousness is so well known—in the light of the testimony of his own witnesses, and in the light of what the committee knows, would agree to recommit the bill.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. REED. Certainly.

Mr. ASHURST. So far from feeling any irritation, I honor the able Senator from Kansas for the performance of his duty and his able defense of his view.

The able Senator urges that the bill be recommitted. I shall state the reason why I shall not support the motion, if the Senator will permit me to do so. The judicial conference—and I need not describe it; every Senator knows what it is—urged that provision be made not only for all the judges mentioned in the bill but for at least 10 or 12 additional judges. The Attorney General likewise urged that provision be made for 10 or 12 more judges than are in this bill; whereupon, I say now, as I said yesterday, that the Committee on the Judiciary early last year addressed itself to the question of additional judges. The Committee on the Judiciary made this problem its first business. At great inconvenience to many Senators, I, as chairman, sent one Senator into the eighth circuit, one into the seventh, one into the sixth, and they made a personal investigation. They examined the dockets; they conversed with the clerks; they conversed with the lawyers and the judges. After personal investigation, they brought back their report, to the effect that those named in the bill were the only judges needed, and that the additional 8 or 10 judges recommended by the judicial conference were not now needed.

Suppose the bill were recommitted to the Committee on the Judiciary. There is nothing more that we could do. We should not be justified in sending Senators again personally to examine the dockets. What new facts would we obtain? What more may we do? I cannot too highly commend the diligence of the special committee in this matter.

I am going to mention a name. For example, I committed to the able Senator from Vermont [Mr. AUSTIN] the delicate and important task of investigating the first and second circuits to ascertain what, if any, additional judges are necessary. The able Senator from Vermont, with a diligence that is most commendable, made his investigation and submitted his report; the Committee on the Judiciary unanimously supported his report, and I am certain will continue to do so.

I say again we have reduced this bill to an irreducible minimum. If the Senate should vote to recommit the bill to the committee I should feel no irritation, but it would simply mean that there would be no judicial bill. I assure the Senator that if the bill shall be recommitted we can do no more than we now have done.

I thank the Senator for permitting me to interrupt him.

Mr. REED. Mr. President, I hope the Senator from Arizona and the Senator from Vermont will take no offense at what I am about to say, that despite the very earnest efforts and all the investigation and the report the committee made, it is common gossip upon the floor and in the cloakrooms that with the exception of the southern district of New York and the southern district of California, many members of the committee itself are in serious doubt as to whether any of the other additional judges are justified.

Mr. ASHURST. Mr. President, that may be true. For years I was afflicted with the vice of listening to and sometimes being guided or rather misguided by gossip. In reconstructing my plan of life many years ago I made it my first business never to be guided in any matter, large or small, by gossip, but only by facts. How much this gossip will influence Senators will be determined when the roll is called.

The Senator from Kansas [Mr. REED] is giving evidence that he is going to make a superb United States Senator. He is already giving vouchers that he is going to be a useful Senator; but I warn him respectfully, of course, that in great matters or small matters, if he listens to gossip—the greatest gossipers on earth are United States Senators—he will put a bad mark on the splendid career he otherwise would make.

Mr. REED. Mr. President, I assure the Senator that some of the gossip comes from such high sources on the committee that I could not possibly disregard it.

Mr. ASHURST. I must be fair enough to say, if the Senator will permit, and I say it frankly, by no means did the entire committee agree with all the provisions of this bill. The committee was unanimous in the conclusion that there should be no judges other than those mentioned in this bill, but I do not want to be understood as saying that all the members of the committee voted for the creation of all these judgeships in this bill. Personally, I voted for them all, and if I had not thought I was right I would not have done so.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Kansas yield to the Senator from New York?

Mr. REED. I yield to the Senator from New York.

Mr. WAGNER. Unfortunately I was not able to be present and hear all the remarks of the Senator from Kansas, and I wondered whether there was any doubt in his mind as to the necessity for an additional judge in the southern district of New York.

Mr. REED. I may say to the Senator from New York that I have already stated that, so far as I am concerned, and so far as I know, so far as those who feel as I do about the matter are concerned, there will not be any objection to the recommendation of the committee for an additional judge for the southern district of New York.

Mr. WAGNER. My reason for making the inquiry is that I introduced originally the bill providing an additional judge, and I did it only after an investigation I had made, not as thorough an investigation as that made by the senior Senator from Vermont [Mr. AUSTIN], but sufficient to satisfy me of the absolute need. I may say to the Senator that unless I were convinced there was a need I certainly would not be for it.

Mr. REED. I may say to the Senator from New York and to the Senator from Vermont that I, even as a layman, realize that there is quite a difference in the character of litigation, or there may be a difference, that the number of cases, which is the main yardstick used by Judge Otis, is not an infallible yardstick, and Judge Otis does not so contend.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. CLARK of Missouri. I have no disposition to argue with my distinguished friend the senior Senator from New York as to the necessity of an additional judge for the southern district of New York; but I recall that just a few years ago, some 3 years ago, when a bill was pending in the Senate for two additional judges in the southern district of New York, there was actually a vacancy permitted to exist for a period in excess of a year in order that three judges might be appointed at one time.

Mr. REED. While the Senator from Missouri is on the floor, I may say to him that the committee report is remarkable in that it contains a recommendation for an additional judge for the district of New Jersey when a vacancy on the district bench in that State has existed for 18 months. Yet the committee brings in a report recommending an additional judge, which can only be justified on the ground of more work than the court can do, when there has been an 18 months' vacancy due to the inability of Boss Frank Hague to determine whom he wants appointed judge. But the committee brings in a report for an additional judge in New Jersey.

Mr. SMATHERS. Mr. President——

Mr. REED. If the bill shall be recommitted, that will be the end of it. If the bill shall not be recommitted, I expect to offer an amendment striking out the provision for an additional judge for New Jersey, under the circumstances.

Mr. SMATHERS. Mr. President——

Mr. REED. I yield to the Senator from New Jersey.

Mr. SMATHERS. I should like to say to the Senator from Kansas that I hope he knows more about the State of Kansas than he does about New Jersey. There has been no vacancy existing in the State of New Jersey for 18 months, and the inability of Boss Frank Hague to decide who is going to be the judge is not the reason why the vacancy has not been filled.

Mr. REED. I understand Boss Hague decides everything in New Jersey. [Laughter.]

Mr. SMATHERS. That may be true for Kansas, but it is not true for New Jersey.

Mr. REED. I was speaking about New Jersey.

Mr. SMATHERS. I wish to say to the distinguished Senator from Kansas that the vacancy which has existed in the United States district court judgeship in New Jersey for 9 or 10 months has nothing in the world to do with the fact that we need an additional judge there, because we promoted one of the United States district court judges to the circuit bench, and more than half of the time since he was promoted he has been sitting as a United States district court judge.

Mr. REED. But the Senator does not mean to say that the vacancy caused by the promotion will not ultimately be filled, if it has not been already, does he?

Mr. SMATHERS. I mean to say to the Senator that there were in the Federal district court of my State of New Jersey 400 cases which were over 2 years old, before the vacancy occurred.

Mr. REED. The number of cases which may be 2 years old, or 1 year old, or 3 years old, is as much a matter of the attitude of the litigants and their counsel as it is of the time of the court. In all litigation there is one side or the other which is perfectly willing that a decision shall never be rendered. So the length of time that some cases may be hanging on the calendar or the docket of the court is not important.

Tested by the yardstick of Judge Otis, the New Jersey district does not need any relief. Judge Otis stated that, after making allowance for various facts and reducing the yardstick materially so as to get it down to a sound basis—and if New Jersey has any judges as able as Merrill Otis, it is to be congratulated——

Mr. BARBOUR. Mr. President, will the Senator yield?

Mr. REED. In just a moment I will yield to my Republican colleague.

The records show that in the New Jersey district, per judge, 97 Government civil cases were filed in 1938, and 127 private civil cases, a total of 217, and the yardstick of Judge Otis showed that a judge should be able to handle, in addition to his criminal work, 200 civil cases in which the Government is a party, and 200 civil cases in which there are private litigants.

In Kansas by the same yardstick the 1 judge is handling 240 cases a year, against an average of 217 in New Jersey.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. SMATHERS. Does the Senator from Kansas think that the three district court judges now presiding in New Jersey, all Republicans, and my distinguished Republican colleague, would all support this application for an additional district court judge in New Jersey if he were not needed?

Mr. REED. I am very fond of my Republican colleague from New Jersey, but I fear he has a weakness, so far as New Jersey is concerned, which will at least deter me from fully accepting any recommendations he may make regarding New Jersey without looking the animal in the teeth. [Laughter.]

I now yield to the junior Senator from New Jersey.

Mr. BARBOUR. Mr. President, I plead guilty to the weakness with which the Senator charges me, for certainly my desire to see that what is right and just for New Jersey is always done for New Jersey is no less than that entertained by my colleague or anyone else in New Jersey.

I was about to say, before my colleague spoke, that certainly I cannot possibly be accused of any partisan or selfish interest, particularly in connection with this additional judgeship in New Jersey. At present all the district judges in the State of New Jersey are Republican judges, and if I wanted to play partisan politics or be selfish in my own personal political interest, I would, of course, do everything I could, in the closing days of this session to prevent any new judges being appointed, because obviously they undoubtedly would both be Democratic judges. But I am not now playing politics and never will do so, certainly so far as the judiciary is concerned.

As my colleague has stated, the district judges of the State of New Jersey are unanimously, all three of them, in support of this proposed legislation, which would enable two new judges to be appointed. The district judges of New Jersey

know that these additional judgeships are definitely needed in the public interest. I know them all and I trust them all. I believe in them all. They have written to me that they are in favor of the creation of these judgeships. They have written and told me they are in favor of these new judgeships because they are necessary—absolutely necessary. The Bar Association of the State of New Jersey also urges the creation of these new judgeships in New Jersey and for the same reason. Many important attorneys, some of whom I have known all my life, who have no partisan interest in the matter, speak of the necessity for these two new judgeships.

Mr. President, I realize that there was a delay in filling the vacancy which was caused when Judge William Clark was promoted to the circuit bench. I most certainly do not condone the delay in filling that vacancy. Naturally, I was not consulted with respect to the situation, and there was nothing that I could do about it. I was not involved. As I understand, the delay grew out of a difference between my colleague [Mr. SMATHERS] and other powers that be in the State of New Jersey.

Mr. REED. Meaning Mr. Frank Hague, of Jersey City?

Mr. BARBOUR. Meaning Mr. Frank Hague, of Jersey City. Perhaps I should also add the Governor. But in any event, Mr. President, entirely aside from that unfortunate and regrettable delay, or the reason for it, or the justification for it, if there was any, which I do not admit, I think it was occasioned very largely by the desire on the part of my colleague—if I understand the situation correctly—that the new judge to fill that vacancy should come from the southern part of the State, while Frank Hague and possibly others wanted the new judge to come from the northern section of the State.

Mr. President, the point I am trying to make is that entirely aside from that inexcusable delay—and I never have condoned the delay—there never was at any time any question whatever about the absolute necessity for the additional judge to fill the vacancy caused by Judge Clark's elevation to the circuit court. We are dealing with the necessity—not a quarrel between Democrats in New Jersey—a necessity not only for a judge to fill the vacancy, but a judge to fill the additional judgeship which is created by the bill. Both are necessary, and that is the reason, the only reason, I am for this proposed legislation.

Mr. REED. Mr. President, I may suggest to my good friend the Senator from New Jersey that the figures do not bear him out. His district, per judge, is far below the average of the country as a whole. His area is below the standard set by Judge Otis, way below what we are doing in Kansas; and New Jersey has a vacancy in a judgeship, a vacancy which it was stated here yesterday has continued for 18 months.

I made inquiry of the Senator from Connecticut [Mr. DANAHER] this morning to confirm that statement, because I am using the statement made on the floor yesterday as to the length of time the vacancy in New Jersey has existed. I have no knowledge of my own concerning it. It was stated yesterday that the vacancy had existed for 18 months. The Senator from Connecticut told me this morning that the vacancy had existed for 18 months. May I ask the Senator from New Jersey how long the vacancy has continued?

Mr. BARBOUR. I think what the Senator stated is probably correct. Of my own knowledge I do not know the exact number of months, but I do not challenge the statement that it was 18 months.

Mr. REED. Then, is it not ridiculous, when a district in which there are now three judges shows a less load per judge than the average of the country, according to the yardstick of Judge Otis, a district where a vacancy has existed for 18 months, that the Committee on the Judiciary should bring in a report recommending an additional judge for that district? If that is not the height of absurdity, then I do not know what it is; and I challenge my distinguished friend, the Senator from Arizona, for whom I have deep affection and high respect, to reconcile such a situation with good legislation and sound public policy.

Mr. HATCH. Mr. President——

Mr. ASHURST. Mr. President, will the Senator yield to me, since he asked me the question?

Mr. REED. I yield to the Senator from Arizona.

Mr. ASHURST. Long ago I learned to depend upon the senior Senator from Kansas [Mr. CAPPER] as a Senator and public servant because I found that he was usually accurate. I am beginning to learn to depend upon the junior Senator from Kansas [Mr. REED] likewise. When I want information as to Kansas I do not go to New Jersey. I believe that WARREN BARBOUR and WILLIAM SMATHERS know more about New Jersey than the Senator from Kansas [Mr. REED] knows about New Jersey. Likewise, I believe that ARTHUR CAPPER and CLYDE REED know more about Kansas than the New Jersey Senators know about Kansas.

When I wish information I go to those who in reason are supposed to have the information. With due deference to the able speech made by the junior Senator from Kansas, I chose to follow the reasoned judgment of the Republican Senator from New Jersey [Mr. BARBOUR], whom I esteem, and in whose judgment I believe, and the reasoned judgment and conclusions of the Democratic Senator from New Jersey [Mr. SMATHERS], rather than the judgment of the Senator from Kansas, who I am sure has never made a close investigation of the judicial situation in New Jersey.

In other words, Senators will pardon me when I follow the New Jersey Senators in respect to New Jersey matters, and the Kansas Senators in respect to Kansas matters.

Mr. REED. May I inquire of the Senator from Arizona, the chairman of the Committee on the Judiciary, whether he accepted at 100-percent face value the recommendation of every Senator regarding the requested increase in the number of judges in his State? Will the Senator answer "yes" or "no"?

Mr. ASHURST. My answer is "Yes."

Mr. REED. Then I say that on that statement alone the report of the committee should be recommitted. Any important committee of the Senate which undertakes to rely upon local influence, local advice, local demands, 100 percent, is not entitled to an unquestioned vote of the Senate, nor should the measure be passed without the severest scrutiny and criticism.

Mr. ASHURST. Mr. President, I respect the judgment of the Senators from Kansas, and let me say that I will not mention any State except the State of Kansas. I do not feel at liberty to mention other States. The Senators from Kansas made a request of me in a most respectful way, and they had a right to do so. They said, "We do not want a new judge in Kansas." I said, "I shall kill the bill, then, if I can, before you get another judge in Kansas."

Mr. REED. The Senator was very gracious about it.

Mr. ASHURST. The Senators from another State—I shall not mention the name of the State unless they ask me to do so—said, "If you will put a judge for our State in the bill, we will kill it." I said, "There will be no new judge for your State."

The Senators from still another State—I continue to refrain from mentioning the name of the State—requested that no new judge be named for their State. I said to them, "So far as I am concerned, there will not be a new judgeship for your State in the bill, if I am going to manage the bill, if the Senators from that State are against such a proposal."

Mr. President, I feel safe in trusting Senators. When a Senator says, "I need an additional clerk," I am willing to vote favorably on his request. If we cannot trust him in the matter of a clerkship, we cannot trust him to manage the important and vital affairs of the Government.

I do not say that I would be in favor of having legislation passed simply because the two Senators from a State should walk in and say, "We want another judge for our State," but I say that when the Senators agree in making the request, and the record bears them out, I am willing to support the proposition.

The same statement applies to forest preserves. If a Senator were to say to me, "I do not want any more forest preserves in my State," I would adopt his view.

Mr. BARBOUR. Mr. President, will the Senator yield to me? Perhaps I should not interrupt him?

Mr. ASHURST. I yield. Perhaps I have said enough.

Mr. BARBOUR. No; the distinguished Senator from Arizona never says enough. But, anyway, I do not charge the Senator from Kansas with prejudice or with having charged me with trying to exert what I think he termed influence, or trying to get power. Certainly in my case in this instance that absolutely could not possibly be so. There is, moreover, probably no Republican in the whole State of New Jersey who is known to be politically more absolutely opposed to or forthrightly against Frank Hague than myself. I want that to be clearly understood by everyone, both here in the Senate as it is back home in New Jersey. Moreover, I have not heard from Mayor Hague in this whole connection, as I have not communicated with him or would not do so. So much for the subject of Frank Hague so far as I am concerned. But, as the Senator from Kansas has based his information on the reports of judges and others who have come here and said that on the basis of the review they feel this way and that way, I am basing my information as a United States Senator and as a citizen of the State of New Jersey and, regardless of my party affiliation, on what I know to be the necessity for these additional judgeships. That is why, as I have said before, I am for these additional judgeships. Even despite the fact that of necessity they will be Democratic appointments, that is entirely beside the point so far as I am concerned.

Mr. President, as I have said, I do not criticize the Senator from Kansas for his position, and I do not want him to criticize me for mine. There are frequently grounds for an honest and friendly difference of opinion as to these sort of facts. I honestly believe my facts are correct. The Senator from Kansas believes his facts are correct.

Mr. REED. Mr. President, will the Senator permit me to interrupt him?

Mr. BARBOUR. Yes; I yield.

Mr. REED. They are not my facts. They are the official record—that is all.

Mr. BARBOUR. Well, Mr. President, the official record deals academically with just numbers of cases. We all know that districts vary very greatly, and the character of cases varies very greatly. In the discussion of certain types of legal cases here a few days ago between the distinguished Senator from New York [Mr. WAGNER] and another Senator who was engaging him in colloquy at the time, it was admitted that some of the cases in the southern district of New York took as long as 2 years to be disposed of. Very obviously one cannot compare those cases with cases of other sorts in other areas which take a very short time to dispose of. I know we have good hard-working judges in the State of New Jersey, and I know they cannot keep abreast of their dockets. They must have additional judges to help them if justice is to be properly administered in my State.

Mr. President, personally I am very sorry that the vacancy in New Jersey was not filled. It of course should have been filled long ago, but as I have stated that is really not the issue. The issue is, Are two additional judgeships necessary? And there is nothing in the record anywhere which at any time refuted the necessity for these additional judgeships—both of them.

Mr. REED. Will not the Senator concede that if that judge had been working we would have had the equivalent for the past 18 months of an additional judge? And that is all that the bill gives the State.

Mr. BARBOUR. I never denied that. That is that the vacancy we have spoken of so often should have been filled long ago.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. REED. When the junior Senator from New Jersey has completed I shall be happy to yield to the senior Senator from New Jersey.

Mr. BARBOUR. I am glad to yield. All I wanted to do was to make my position absolutely clear and make sure that everyone understands just why I take the position I do in this whole connection.

Mr. REED. I will now yield to the senior Senator from New Jersey.

Mr. SMATHERS. I wish to say to the Senator from Kansas, so that he will not again become excited and exercised over the 18-month vacancy, that the vacancy took place last year. During the closing hours of the previous session of Congress Judge Clark was confirmed as a circuit court judge. Instead of qualifying as a circuit court judge he continued as a district court judge for all of last year, and tried a great number of district court issues up until practically the first of January of this year. So, as a matter of fact, the vacancy has existed from January 1 of this year until the present time.

Mr. REED. If the Senator from New Jersey will get his calendar straight, the Congress adjourned last year in June.

Mr. SMATHERS. In June.

Mr. REED. We are now approaching August 1939.

Mr. SMATHERS. The Senator from Kansas misses the point every time I try to bring it home to him.

Mr. REED. I have not been able to understand that there is any point.

Mr. SMATHERS. Oh, yes; there is a point. I am sure the Senator will get it if he listens. At least, I have hope.

Mr. REED. The Senator should not be too optimistic. He will have to make the point much plainer than he has made it up to this time.

Mr. SMATHERS. I realize that. I want to bring home this point to the Senator from Kansas: Although Judge Clark was confirmed by the Senate in June of last year, he did not take office as a circuit court judge, but continued to serve practically throughout all of last year, doing district court work as a district court judge before he resigned his position. Does the Senator from Kansas get that point, or does he want to get it?

Mr. REED. I heard the Senator from New Jersey.

Mr. SMATHERS. All right.

Mr. REED. Mr. President, I told the majority leader——

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. REED. Certainly.

Mr. WAGNER. I do not want to delay the conclusion of the Senator's remarks.

Mr. REED. I assure the Senator that there will be a quorum call. Let me say to the Senator from New York that I would not want to take a vote at this time, because nearly all the Senators now in the Chamber are interested in additional judges, and I certainly would not hazard a vote in the group now present. We will have a quorum call before we vote.

Mr. WAGNER. I think the Senator really has not a sufficient appreciation of what Senators regard as their obligation. I am sure the Judiciary Committee has never had the experience of a Member of the Senate coming before it asking for additional judges unless he was able to support his request by statistics indicating the necessity therefor. No Senator would do such a thing; and after the Senator has been in the Senate a little longer he will know that to be a fact.

The Senator has suggested that political considerations are creeping into this legislation for additional judges. In the first place, the Judiciary Committee, above all others so far as I know, has the reputation of not permitting political considerations to creep into its discussion of legislation pending before it with reference to the judiciary.

I think some of us consider these matters above mere politics. There were two vacancies in the circuit court of appeals, one of them created last year as the result of some legislation which I introduced. I myself had the pleasure of endorsing two candidates for those offices. Both are members of the Senator's party, but they stood so high in the profession that I did not hesitate to recommend them for that office. I think the Senator is not accepting the suggestion of the distinguished chairman of the Judiciary Committee to guard against mere rumors and to rely upon facts.

Mr. REED. If the Senator from New York will permit the observation, no one is so simple as to accept the correctness of the statement that Senators are not at times—not always, but frequently—interested in the political considerations attaching to the appointment of judges and the creation of judgeships. All that the distinguished Senator from New York can say from now until the debate closes will not change that fact in the minds of the people.

Mr. WAGNER. Does the Senator think that a Senator would deliberately recommend an additional judge, although he knew that such additional judge was not needed?

Mr. REED. I think it has been done; yes.

Mr. WAGNER. I know of no such case.

Mr. REED. I think it has been done.

Mr. WAGNER. I cannot think of a Senator who would make such a recommendation under those circumstances.

Mr. REED. Mr. President, I wish to read briefly, and then I shall conclude, so far as the motion to recommit is concerned. Of course, I want it distinctly understood that some amendments will be offered to the bill in an effort to reach the most glaring examples of things that ought not to be done. In my humble judgment, with due deference to the Senator from Arizona [Mr. ASHURST], and my very good friend the Senator from Vermont [Mr. AUSTIN], who is not now present, the committee should have taken care of that matter.

I wish to quote again from Judge Otis:

> Packing a district court with unneeded judges is not only an economic waste; it is degrading and humiliating to every serving judge in the district affected.

Judge Otis continues:

> Regretfully—

I wish the Senator from New York [Mr. WAGNER] were present—

> Regretfully, it must be said that instances of such efforts have been numerous.

This is a United States judge of long experience speaking.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BORAH. Is the Senator reading from Judge Otis' statement?

Mr. REED. I am reading from a footnote written by Judge Otis to his own remarks, explaining them.

Mr. BORAH. Where were the remarks made? Were they made before a committee?

Mr. REED. They were made in an article written for and printed in the University of Kansas City Law Review for June 1939, entitled "The Business of United States District Courts," by Merrill E. Otis.

Mr. BORAH. I know Judge Otis. I esteem him very highly. I would not make any suggestions which would reflect on his integrity of mind when he makes these statements. However, I have been on the Judiciary Committee for 30 years, and I have had an opportunity to observe the workings of that committee. I wish to say that, in my opinion, the present chairman of that committee would not for a moment brook any improper action on the part of anyone in the selection of judges if he knew of it. As Judge Otis says, there may be instances in which such things as he refers to occurred.

Mr. REED. He said there were numerous instances.

Mr. BORAH. Does he give the numerous instances in the footnote?

Mr. REED. No. Judge Otis said:

> Regretfully it must be said that instances of such efforts have been numerous.

Mr. BORAH. I wish to God that in this country politics were cleaned out of other departments as thoroughly as is the case in the judicial department of the United States. Of course, there are exceptions, but taking the history of our judiciary as a whole, it is a proud story.

Mr. REED. I wish to complete the reading of what Judge Otis said. I will say to the distinguished Senator from Idaho that I am merely trying to bring the situation to the attention of the Senate and of the country.

Mr. BORAH. The Senator is quite within his duty in bringing all the facts to the attention of the Senate. I am not criticizing him at all. However, it does not help us on the Judiciary Committee to say that these things occur without giving any instances in which they have occurred.

Mr. REED. The Senator from Idaho, being the dean of the Senate, knows that one Senator does not go around digging into some other Senator's patronage preserves when it is not any of his individual business.

Mr. BORAH. If that be true, there is no use in our debating the question.

Mr. REED. Senators do not do that. The Senator knows that as well as anyone.

Mr. BORAH. It does not help us to say that judges are being selected for political reasons without citing specific instances.

Mr. REED. I am quoting a distinguished and experienced United States judge literally, and reading his exact language. If I may proceed, he says:

> Even the conference of senior circuit judges occasionally have been misled to suggest additional judgeships where there was no need.

Mr. BORAH. Of course, we have to operate the Government with human beings; and they make mistakes. However, I am now speaking of those who willfully do the things about which the Senator speaks. I am happy to say that I think such instances are rare, indeed. As a lawyer, as a Senator, and as a citizen I have learned to deeply respect the American judiciary.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. I shall be very glad to yield.

Mr. HATCH. I have not been in the Chamber during all of the Senator's discussion.

Mr. REED. I am very sorry. The Senator from New Mexico would have been highly edified. I am trying to do with the judicial situation what the Senator has been so successful in doing with the political situation.

Mr. HATCH. I wish to say to the Senator from Kansas that if he has been criticizing the Judiciary Committee for its lack of fidelity to duty in the recommendation of judges, the Senator from Kansas is the last Senator who should make that charge, for this reason—and I ask the Senator if I am not correct: The judicial conference has recommended, and the Attorney General has recommended, for 2, 3, or perhaps more years, that an additional judgeship be created in the State of Kansas.

Mr. REED. That is correct.

Mr. HATCH. And the Judiciary Committee of the United States Senate has gone through that recommendation, not once but several times, and in this bill has refused to follow the recommendation of the conference, and has not reported an additional judge for the State of Kansas.

Mr. REED. Very well.

Mr. HATCH. The committee was right, was it not?

Mr. REED. The committee did the proper thing; yes, sir. I am giving the committee credit for it. I am criticizing the committee for some of the recommendations which it has made in the bill—not all of them, but some of them—and if and when the time comes to offer amendments to the bill these matters will be developed more in detail as to specific cases.

Mr. HATCH. I merely mention that to call to the mind of the Senator from Kansas and of the Senate the fact that the committee has been more than careful; that we have excluded judges whom we did not think were necessary. Only yesterday I stood on the floor of the Senate and told about another judge provision for whom was excluded from the bill, although there was need and use in that case for an additional judge in the particular circuit. There is no question about that. All the judges agree as to the need, but the committee decided that it was not absolutely necessary that the additional judge in that case be provided, and

so the committee eliminated the provision for him. We have tried to provide for judges on the basis of need.

Mr. REED. And sometimes the committee had to go contrary to the recommendations of the Judicial Conference, headed by the Chief Justice of the United States.

Mr. HATCH. As the Senator from Idaho has just explained, they make mistakes; they are human beings, and perhaps we have been mistaken in refusing to follow them. Perhaps they were right; we may have been mistaken, but we exercised the best judgment we had.

Mr. REED. Let me say to the Senator from New Mexico that I am merely trying now to help the committee acquire information by which it may, or the Senate may, correct the mistakes.

Mr. HATCH. It would be no help to the committee to recommit the bill. If there is any judgeship that ought to be eliminated and stricken from the bill, well and good; that would help; but to recommit the whole bill merely in order to strike out provision for one judge would be wrong.

Mr. REED. I am sorry the Senator from New Mexico was not present——

Mr. HATCH. I am also sorry.

Mr. REED. When I stated I preferred to handle these matters through the committee, I thought that was the better, the more intelligent, the more systematic way to do it; I always prefer to operate through the committees; but it is now late in the session and there are provisions in the bill for the appointment of three additional judges whose appointment I think would be an outrage from the standpoint of public policy.

The first thing to do—and I would rather have the committee do it—would be for the committee to take the bill back and reconsider the matter. I made an appeal to the chairman of the Judiciary Committee to do that, without intending any reflection upon him or upon the committee. We have heretofore recommitted bills. There is nothing novel about it. We have done it sometimes, in fact, usually in the face of the opposition of the committee itself. I probably would feel that way about it if a bill were to be recommitted to a committee of which I was a member. But there are some things in the bill that I think do need correction; and I am not alone in that view; it has been freely voiced on the floor within the last few days, and probably will be continued to be voiced.

Mr. President, I have taken much more time than I had intended. I want to respect the courts; I differed with the President of the United States as to his method of "court packing" without undertaking to justify or defend the opinions of the Court, which I thought were open to criticism. But, further than that, I want the courts to respect themselves; I want the legislative agencies of this Government to help preserve the courts in their full integrity, and I want the machinery of this body to respond and operate in a way that will keep the judiciary as clean as may be. That is the only purpose for my appearance on this floor.

I have no present personal interest in a single one of these cases. I am only discharging what I conceive to be a public duty in the interest of a sound public policy.

Mr. AUSTIN. Mr. President, just a word. I think in justice to Judge Otis a brief extract from his remarkably fine work should be read. I read from page 222 of the reprint.

> The measuring stick devised will not be sufficiently accurate to measure thirty-seconds of an inch; it will be sufficiently accurate to measure miles. What has been done by a judge can be done again. And if some single judge, by reason of special capacity, can do more than the average judge, so that his record, considered alone, is not a measure of great value, the average work of several judges will be a useful and valuable measure.

That is the end of what I want to read. There is no need of any comment.

Mr. REED. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. REED. May I not ask the distinguished Senator from Vermont whether or not in establishing his yardstick Judge Otis reduced it from the maximum? He eliminated a number of factors so as to bring his yardstick down to what he very strongly intimated and probably directly stated was the reasonable applicable yardstick for practical application.

Mr. AUSTIN. I can show exactly how much he reduced it. He reduced it with respect to the 10 districts which he used for his test, that is, the 10 most busy districts, from 492 for criminal cases to 400; from 227 for civil cases in which the Government was interested to 200, and from 221 cases of all other kinds to 200.

Then he made another comparison, that is, a comparison with his own western district of Missouri, where there are two judges. In that case he reduced his figure from 574 criminal cases to 400; from 248 civil cases in which the Government was interested to 200, and from 241 civil cases of all other kinds to 200.

Mr. REED. May I ask the distinguished Senator from Vermont if I have not used the reduced figure used by Judge Otis in making his yardstick in every case?

Mr. AUSTIN. I believe so.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut [Mr. DANAHER] to recommit the bill to the Committee on the Judiciary.

Mr. DANAHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The CHIEF CLERK called the roll, and the following Senators answered to their names:

Adams	Davis	La Follette	Russell
Andrews	Downey	Lee	Schwartz
Ashurst	Ellender	Lodge	Schwellenbach
Austin	Frazier	Logan	Sheppard
Bankhead	George	Lucas	Shipstead
Barbour	Gerry	McCarran	Smathers
Barkley	Gibson	McKellar	Stewart
Bilbo	Gillette	McNary	Taft
Bone	Green	Maloney	Thomas, Okla.
Borah	Guffey	Mead	Thomas, Utah
Bridges	Gurney	Miller	Tobey
Brown	Hale	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Vandenberg
Byrd	Hayden	Norris	Van Nuys
Byrnes	Herring	Nye	Wagner
Capper	Hill	O'Mahoney	Wheeler
Chavez	Hughes	Pepper	White
Clark, Idaho	Johnson, Calif.	Pittman	
Connally	Johnson, Colo.	Radcliffe	
Danaher	King	Reed	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Connecticut [Mr. DANAHER] to recommit the bill to the Committee on the Judiciary.

Mr. DANAHER. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GREEN (when his name was called). I have a pair with the Senator from Wisconsin [Mr. WILEY]. I transfer that pair to the Senator from Illinois [Mr. SLATTERY], and will vote. I vote "nay."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS], and therefore withhold my vote. I am not informed how the Senator from Virginia would vote if present. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. McNARY. The Senator from Oregon [Mr. HOLMAN] is absent on official business. If present he would vote "yea."

Mr. MINTON. I announce that the Senator from Arkansas [Mrs. CARAWAY], the Senator from Missouri [Mr. CLARK], the Senator from Louisiana [Mr. OVERTON], the Senator from Illinois [Mr. SLATTERY], and the Senator from Massachusetts [Mr. WALSH] are absent on important public business. I am advised that if present and voting, these Senators would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from West Virginia [Mr. HOLT], the Senator from Minnesota [Mr. LUNDEEN], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained.

The Senator from North Carolina [Mr. REYNOLDS] and the Senator from South Carolina [Mr. SMITH] are absent because of illness in their families.

Mr. STEWART. I have a pair with the junior Senator from Oregon [Mr. HOLMAN], who, I am advised, if present and voting, would vote "yea." I transfer that pair to the Senator from Louisiana [Mr. OVERTON] and vote "nay."

The result was announced—yeas 17, nays 63, as follows:

YEAS—17

Bridges	Johnson, Calif.	Nye	Vandenberg
Capper	King	Reed	White
Danaher	Lodge	Taft	
Gurney	McNary	Tobey	
Hale	Norris	Townsend	

NAYS—63

Adams	Clark, Idaho	Hill	Pepper
Andrews	Connally	Hughes	Pittman
Ashurst	Davis	Johnson, Colo.	Radcliffe
Austin	Downey	La Follette	Russell
Bankhead	Ellender	Lee	Schwartz
Barbour	Frazier	Logan	Schwellenbach
Barkley	George	Lucas	Sheppard
Bilbo	Gibson	McCarran	Smathers
Bone	Green	McKellar	Stewart
Borah	Gillette	Maloney	Thomas, Okla.
Brown	Green	Mead	Thomas, Utah
Bulow	Guffey	Miller	Truman
Burke	Harrison	Minton	Van Nuys
Byrd	Hatch	Murray	Wagner
Byrnes	Hayden	Neely	Wheeler
Chavez	Herring	O'Mahoney	

NOT VOTING—16

Bailey	Glass	Overton	Smith
Caraway	Holman	Reynolds	Tydings
Clark, Mo.	Holt	Shipstead	Walsh
Donahey	Lundeen	Slattery	Wiley

So Mr. DANAHER's motion to recommit the bill to the Committee on the Judiciary was rejected.

Mr. DANAHER. Mr. President, in view of the vote, I think the fact should be called to the attention of the Senate that I made the motion for the reasons stated yesterday, and also in the belief that no possible harm could come were the motion to prevail, with the chance that a very real amount of good would ultimately be accomplished if the need for additional judges should later prove to be not established, or at least dissipated, as the result of pending legislation which will become effective. The fact that the Judiciary Committee has adequately considered the situation on the basis of present needs is clear. Feeling, as I do, that the confidence which we all have in the Judiciary Committee should be reasserted, I wish to state that on the question of the passage of the bill itself I shall vote for the bill.

The PRESIDENT pro tempore. The bill is still before the Senate and open to further amendment.

Mr. REED. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 2, it is proposed to strike out the words "district of New Jersey."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. REED. Mr. President, there are some other amendments to follow the one now pending. I am offering this amendment because of the peculiar circumstance that there has been a vacancy in the New Jersey district for 18 months, according to the information the Senator from Connecticut had, and for about 14 months according to the information given me today by the senior Senator from New Jersey.

I think it is a wholly inconsistent thing for this body to vote an additional judge for a district where the work is below the average per judge of the districts of the country when there has been a vacancy in that district, and the judge not working, for a year or more. Therefore, I offer the amendment to cut out of the bill the provision for that judge.

Mr. BARBOUR. Mr. President, my colleague [Mr. SMATHERS] was, I think, absent when the Senator from Kansas [Mr. REED] offered the amendment and first began to discuss it. I did not want action taken in my colleague's absence. Now, I am not going to repeat what I said earlier in this whole connection, so I will merely repeat that I join my colleague in hoping that the amendment will not be adopted.

Mr. SMATHERS. Mr. President, it is not my desire to take any additional time of the Senate. I am certain that my colleagues will be guided by the resolution of the New Jersey State Bar Association and of all of the other organizations which have gone on record in requesting this additional judgeship.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Kansas [Mr. REED].

ORDER OF BUSINESS—TRUTH-IN-FABRIC BILL

Mr. O'MAHONEY. Mr. President, before a vote is taken on the pending question, I desire to call to the attention of the Senate once more the situation which exists with respect to the truth-in-fabric bill. That measure was passed by the Senate on Friday last, and the senior Senator from Oklahoma [Mr. THOMAS], after the vote was taken, rose and entered a motion to reconsider.

It would have been quite possible for any one of the Senators who had voted for the bill immediately to have moved to reconsider and then to have moved to lay on the table the motion to reconsider, but the motion was not made, out of regard for the senior Senator from Oklahoma, who stated upon the floor that it was his purpose to seek some information with respect to the effect of the bill.

Yesterday when the Senate assembled, and the genial senior Senator from Arizona [Mr. ASHURST] announced that the judicial bill would be laid aside temporarily at any time for the consideration of the motion to reconsider, or for the substitution of the works-financing bill, some of us who were in favor of the truth-in-fabric bill, and who desired immediate action upon the motion to reconsider, called the attention of the Senate to the parliamentary condition in which the bill was, and at that time the senior Senator from Oklahoma announced that he was waiting for a telegram which would arrive in his office within a few minutes.

Thereupon, it being about 12:15 o'clock, I sought to obtain unanimous consent to fix a time for the consideration of the motion to reconsider. The Senator from Oklahoma was unwilling to grant that consent, and again out of courtesy to the desire of the Senator to obtain additional information, the friends of the truth-in-fabric bill refrained from making a motion to reconsider, and promptly moving to lay that motion upon the table.

Mr. President, it begins to appear, though I cannot say this with any definiteness, that the intention is to prevent the will of the Senate from being effectuated. Under the rules of the Senate, a motion to reconsider may be made during the next 2 days of actual session after a vote is taken. Yesterday was the first day of actual session after the vote was taken on the truth-in-fabric bill and today is the second day. The rules of the Senate were made for the purpose of effectuating the will of the Senate.

Mr. President, I am altogether unwilling to permit the judicial bill to be voted upon, or to permit any other business to be carried forward in this body, until the motion of the Senator from Oklahoma to reconsider the vote by which the truth-in-fabric bill was passed by the Senate last Friday shall be taken up for consideration.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. It had been my purpose upon the conclusion of the consideration of the judicial bill, which I think is near a vote, to cooperate in bringing up the motion to reconsider the vote by which the truth-in-fabric bill was passed, and if no other Senator made a motion to lay that motion on the table I intended myself to make it, in order that the matter might be speedily disposed of.

I think it is unfortunate and will be unfortunate if we are prevented by any method from voting upon the bill which is now pending merely because we have not yet reached a point where we can consider the motion to reconsider. I will cooperate completely and fully with the Senator, and I have no reason to believe that the Senator from Oklahoma has any desire to delay the consideration of his motion. But it is susceptible of easy disposition by the motion to which the Senator from Wyoming has referred, and I hope that the Senator will not carry out what seems to be the implication of his remarks, and prevent a vote on the pending bill until we can take up the motion and dispose of it, because the sooner we can dispose of the judicial bill the sooner we may dispose of the motion to reconsider.

Mr. O'MAHONEY. Mr. President, I am an inexperienced Member of this body——

Mr. BARKLEY. I should have to demur to that statement.

Mr. O'MAHONEY. I am not an expert in parliamentary procedure, but I will say to the Senator that during the course of the afternoon I have received some very valuable advice from the senior Senator from Arizona. The senior Senator from Arizona, meeting me in the cloakroom only about an hour ago, I think gave me some very wise advice when I was discussing this matter with him. He said, "Young man"—he complimented me by using that phrase.

Mr. BARKLEY. Not beyond the Senator's deserts.

Mr. O'MAHONEY. I thank the Senator. The Senator from Arizona said, "You must remember that the first rule of the Senate is lex talionis," the law of the claw.

Mr. BARKLEY. Did the Senator from Arizona explain the meaning of that to the Senator? [Laughter.]

Mr. O'MAHONEY. I said, "The law of the claw."

Mr. ASHURST. That sounded like the Senator from Arizona. [Laughter.]

Mr. O'MAHONEY. It was the Senator from Arizona.

Mr. BARKLEY. I really sincerely and seriously hope that we may dispose of the pending bill, and I can assure the Senator from Wyoming, and all other Senators interested in the truth-in-fabric bill, for which I voted, that I will do my level best—which is not always the best, but it is the best I can do to bring about an immediate disposition of the motion.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside in order that we may take up the motion of the Senator from Oklahoma.

Mr. BARKLEY. Mr. President, I hope the Senator will not make that request, because, frankly, I would be compelled to object to it. I think we might have disposed of the pending bill by now if we had been permitted to go ahead with it. The Senator knows, as all other Senators know, that I am trying my best, in a rather difficult situation, to facilitate the passage of legislation, for obvious reasons.

Mr. O'MAHONEY. Of course, and I sympathize with the Senator——

Mr. BARKLEY. I appreciate the Senator's sympathy, and I will appreciate his cooperation no less than his sympathy.

Mr. O'MAHONEY. Mr. President, I sympathize with the intention of the Senator to secure action upon legislative matters before this body. One of the legislative matters is the truth-in-fabric bill, which has already been passed——

Mr. BARKLEY. I agree.

Mr. O'MAHONEY. And I hope to have the cooperation, the immediate cooperation, of the Senator from Kentucky, and of all other Senators, to bring about action upon that matter.

Mr. BARKLEY. If the Senator will give me his immediate cooperation on the pending bill, I will give him my immediate cooperation on the other matter.

Mr. O'MAHONEY. Mr. President, may I ask for unanimous consent that immediately upon the passage of the judicial bill, or perhaps I should say the disposition of the judicial bill—and I thank Senators about me for the amendment—that the Senate shall proceed to the consideration of the motion to reconsider the vote by which the truth-in-fabric bill was passed.

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, when I may have the floor——

The PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. BARKLEY. Mr. President, may I inquire of the Senator from Oklahoma what he means? I do not quite understand what he means by saying "When I may have the floor." Does he mean on his motion, or now?

Mr. THOMAS of Oklahoma. I want the floor.

Mr. BARKLEY. Did I understand the Senator to inquire whether he might have the floor now, or at the time his motion comes up? The Senator does not have to ask unanimous consent to get the floor.

Mr. THOMAS of Oklahoma. That is what I am asking.

Mr. BARKLEY. The point is whether, if consent is granted to take up the motion of the Senator immediately after the disposition of the pending bill, he is asking that he may have the floor at that time, or is asking that he may have it now.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. AUSTIN. May a Senator who has proffered a request for unanimous consent hold the floor?

Mr. O'MAHONEY. Mr. President, I had the floor when I proffered the request, and there has been no response as yet.

Mr. THOMAS of Oklahoma. Reserving the right to object——

The PRESIDENT pro tempore. It is customary in the Senate, if a Senator asks unanimous consent, to allow any other Senator who desires to state the reasons for his objection to make them known. That is the ordinary practice. Whether the Senator from Wyoming has the floor or not, he will be recognized after whoever desires to discuss the objection shall have finished. Does the Senator from Oklahoma object?

Mr. THOMAS of Oklahoma. Reserving the right to object, I ask for the floor.

The PRESIDENT pro tempore. Does the Senator from Wyoming yield the floor?

Mr. O'MAHONEY. Mr. President, I am trying to obtain an understanding among all the Members of this body. I see no reason why the Senator from Oklahoma should not state his position without calling upon me to yield the floor. I confess to the Senator that I am rather hesitant, because in my inexperience I do not know what new parliamentary procedure he may be proposing. I understood the other day that it was merely a matter of securing some information, and that the purpose of the Senator was not to interrupt or obstruct the consideration of the bill.

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. On a unanimous-consent request, cannot the discussion be terminated at any time by any Senator calling for the regular order?

The PRESIDENT pro tempore. It can be. The question is on the request of the Senator from Wyoming. Is there objection?

Mr. THOMAS of Oklahoma. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. O'MAHONEY. Mr. President——

The PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. I desire to give notice that at the earliest opportunity, when I may secure the floor after action on the judicial bill, I shall move that the Senate proceed to the consideration of the motion of the Senator from Oklahoma, unless at this moment I may obtain the consent of the Senator from Arizona to make a motion on my own behalf to reconsider the vote by which the truth-in-fabric bill was passed.

Mr. ASHURST. I felicitate the Senator from Wyoming; I am very much in favor of the position he has taken; I am as much in favor of the bill he is championing as I am in favor of the judicial bill; I am in favor of both bills but we must be practical. The judicial bill is approaching a final vote. I believe we will vote on it within 30 minutes—certainly in 40 minutes. The Senator then surely can secure the floor to have the motion considered. The Senate was serious and in earnest when it voted for the truth-in-fabric bill. The Senate is not going to commit the futile action of considering a bill today, and then, forsooth, because some Senator entered a motion to reconsider another matter, find itself powerless to resume consideration of the bill it was considering.

Let us finish consideration of the pending bill.

Mr. HATCH. Mr. President, in order that the matter may be disposed of I will state that if the Senator from Arizona were to yield to the Senator from Wyoming in order that he might make the motion to take up the motion to reconsider, then it is my purpose, and I state it frankly, to move to table the motion of the Senator from Oklahoma so it can be disposed of.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. AUSTIN. Would not the chairman of the Committee on the Judiciary, the sponsor of the pending bill, by his own yielding displace the pending business?

Mr. ASHURST. I want to thank the Senator for his inquiry. I have no such power. I have no such influence. I simply insist in a modest way that we finish the business at hand. I am sure the Senator from Wyoming will have no opportunity——

Mr. O'MAHONEY. "No opportunity" is right. [Laughter.]

Mr. ASHURST. No—will have no trouble in procuring the floor. Let us finish consideration of the pending bill.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. There is one parliamentary inquiry pending. The Chair asks the Senate to give the Chair an opportunity to dispose of the pending parliamentary inquiry.

The Senator from Oklahoma [Mr. THOMAS] on July 21 moved that the vote by which the truth-in-fabric bill was passed be reconsidered. The Senator from Wyoming [Mr. O'MAHONEY] has asked unanimous consent that the motion be disposed of now. If, while the business under consideration is pending, another matter is taken up on motion, then the unfinished business is displaced.

Mr. AUSTIN. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. AUSTIN. When such a request for unanimous consent is proposed, is it not in order to object to it?

The PRESIDENT pro tempore. It would be in order to object to it.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Kentucky will state it.

Mr. BARKLEY. Has the motion to reconsider the vote by which the truth-in-fabric bill was passed been entered?

The PRESIDENT pro tempore. It was entered on July 21.

Mr. BARKLEY. So that it is in order——

The PRESIDENT pro tempore. It is in order.

Mr. BARKLEY. It is in order at any time, and particularly would be at the conclusion of the pending business, to move to proceed to consider that motion?

The PRESIDENT pro tempore. It is within the parliamentary practice.

Mr. BARKLEY. I will state to the Senator from Wyoming, if he will permit me, that immediately upon the passage of the pending bill I will cooperate with the Senator to have that motion taken up, if I myself have to make the motion to take it up, and then move to table the motion to reconsider. I think the matter ought to be disposed of in order, and not interfere with the bill now under consideration.

Mr. O'MAHONEY. Mr. President, with the statement by the Senator from Kentucky, I am quite satisfied. Let me say that the position which I have taken before the Senate has been prompted by a desire to secure action by the Senate to carry out its will already expressed. And because I have been resisting what I have regarded to be, however mistakenly, a dilatory procedure, I myself am not willing to engage in a dilatory procedure against the consideration of and immediate action upon the pending bill. So, with the understanding which has already been expressed by the Senator from Kentucky, I shall not proceed to make any further request at this time to make any further remarks to the Senate, but immediately upon the disposition of the pending bill, I shall seek to obtain recognition by the Chair.

Mr. THOMAS of Oklahoma. Mr. President, I happen to represent in part, as best I can, one of the great cotton-producing States. My State produces approximately 1,000,000 bales of cotton a year. When the truth-in-fabric bill was before the proper committee, a subcommittee was appointed to consider it. The subcommittee consisted of Senators from the Northern States—the Senator from Wyoming [Mr. SCHWARTZ], a Northern State where no cotton is grown; the Senator from Minnesota [Mr. LUNDEEN], from a Northern State where no cotton is grown; and the Senator from Vermont [Mr. AUSTIN], likewise from a Northern State where no cotton is grown. I was not a member of either the subcommittee or of the main committee. I listened to the discussion of the bill on the floor of the Senate, and I desire now to take a very few moments to make a short statement.

Mr. President, on July 21 the Senate passed Senate bill 162, the so-called truth-in-fabric bill. During the debate on the bill, as it appears on page 9664 of the RECORD, the senior Senator from Vermont [Mr. AUSTIN] asked the senior Senator from Kentucky [Mr. BARKLEY] this question:

> How much, if any, would the market for cotton be impaired if one of the effects of the operation of this bill should be to reduce the production of goods made of mixtures of cotton and wool?

In part the Senator from Kentucky [Mr. BARKLEY] replied:

> Due to those circumstances the sale of cotton, to some extent, would probably be affected.
>
> Mr. AUSTIN. May I ask the Senator if he can state whether it is correct that a hundred million pounds of cotton go into mixtures with wool annually?
>
> Mr. BARKLEY. It has been a long time since I gathered the figures, but I would not in any way dispute the figures given by the Senator. A very large quantity of cotton goes into the manufacture of garments that are made of mixed wool and cotton.

Mr. President, if the figures mentioned by the Senator from Vermont are substantially correct, then 100,000,000 pounds of cotton, when measured in bales of 500 pounds each, means that some 200,000 bales of cotton are used annually in the wool-manufacturing industry.

The Senate subcommittee which held the hearings was composed of Senators from noncotton-growing States; hence the relation of wool to cotton and the amount of cotton used jointly with wool in producing cloth and such products as cotton blankets, worsteds, and mohair, using cotton warps, were given little, if any, consideration. I make no complaint of that, because the Senators did not represent cotton-producing States, and the question no doubt was not called to their attention. It was because of the development of this new possible adverse effect which the enactment of the bill might have upon cotton that caused me to enter the motion to reconsider the vote by which the bill passed the Senate.

Immediately after the motion was entered, I sent an inquiry to the National Association of Wool Manufacturers. I now send to the desk and ask to have read the telegram of inquiry which I sent to the best authority that I knew of.

The PRESIDENT pro tempore. The clerk will read.

The Chief Clerk read as follows:

JULY 21, 1939.

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
386 Fourth Avenue, New York:

During consideration Schwartz wool bill it was admitted that vast quantities of cotton were used in conjunction with wool for making cloth. Please contact manufacturers making cloth from wool-cotton combination and advise estimate of amount cotton used annually in the manufacture of cloth containing both commodities.

ELMER THOMAS.

Mr. THOMAS of Oklahoma. Mr. President, that message was sent late last Friday. I expected an answer on Saturday. It did not come. But yesterday at noon, upon the convening of the Senate, I advised the Senate that I would receive a telegram shortly. I now send to the desk a message received at the telegraphic office here at 12:45 on yesterday, and I ask that it be read by the clerk.

The PRESIDENT pro tempore. The clerk will read.

The Chief Clerk read as follows:

NEW YORK, N. Y., *July 24, 1939.*

Hon. Senator ELMER THOMAS of Oklahoma,
United States Senate Office Building:

Re your telegram July 21. Beg to advise that vast amounts of cotton are combined with wool in the manufacture of various types of textile fabrics for many purposes. Despite the fact that our association represents a large majority of the textile mills classified as wool textile mills, it will be necessary to get information on combined use of wool and cotton from mills considered cotton textile mills in order definitely to estimate annual volume of cotton so used. We are undertaking a survey to get this definite information from mills of both classifications immediately. At the same time we are asking these mills to advise us their opinion of the effect the pending bill will have on their use of cotton, that is, whether or not the present proposal enacted into law will increase or decrease the use of cotton by them and to what extent. We will immediately forward this information to you as quickly as received.

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

Mr. THOMAS of Oklahoma. Mr. President, to the cotton farmers in the cotton-producing States, facing the loss of a large part of their foreign trade and being forced to compete with new substitutes for cotton, it is all-important that nothing be done by their Government still further to reduce the demand for their product.

I have made a search of the hearings held by both the House and the Senate to see if I could find some testimony which would throw some light on the relation between wool and cotton when used in the same cloth. It so happens that a young Representative from my own State gave the only testimony that I found. I have in my hand the House hearings wherein Representative MIKE MONRONEY testified. I read only one paragraph from his testimony, on page 376 of the House hearings. Mr. BOREN, a member of the House subcommittee, from my State, asked Mr. MONRONEY the following question:

Mr. BOREN. I understand that you indicate it is your belief that this would be injurious to cotton raisers and the sellers of cotton that moves into the manufactured article?

Mr. MONRONEY. Very definitely.

Mr. MONRONEY is not the ordinary run of Members of Congress; and I do not limit that statement to the House of Representatives. I have served in both bodies. I have seen them come and go, and I know the ordinary run of Members of both the House and Senate. Mr. MONRONEY is not of that type. He comes from a wealthy family. His family made its money in the furniture business. Mr. MONRONEY grew up in the furniture business. I shall proceed to read his testimony, which shows that in the furniture business a vast amount of cloth contains wool, and at the same time it contains cotton.

Some of the finest tapestries and mohair finishings for furniture products contain as much as 75 percent of cotton and only 25 percent of wool. If furniture factories must label their furniture products "This product contains 25 percent wool and 75 percent cotton," what is the furniture buyer to do? I do not know; but I am fearful that the furniture buyer will look at some other product which does not have a portion of the product containing 75 percent of cotton.

Mr. President, I voted for the bill. I did not want to, but I had to. So far as wool is concerned, it is a good bill. I sympathize with the demand that we label our products properly if it can be done; but, as a result of the Monroney testimony before the House committee, carpets, rugs, and mattings were eliminated from the bill.

Mr. President, I am trying to obtain information. I want to know how the bill affects the cotton industry. Such information is not in the records. I tried to obtain information from the Census Bureau. The Census Bureau states that according to its records, in 1914, 28,000,000 pounds of cotton were used in the wool manufacturing industry. Twenty-eight million pounds of cotton means something like 56,000 bales. If the figures used by the Senator from Kentucky [Mr. BARKLEY] and the Senator from Vermont [Mr. AUSTIN] are accurate, 100,000,000 pounds of cotton are used annually. That means 200,000 bales.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. I do not know to what extent the subcommittee went into that question in the consideration of this particular bill. However, I think it is fair to say that there is nothing new on the subject with respect to cotton being a component part of certain mixed fabrics. As I said to the Senator from Vermont [Mr. AUSTIN], when he asked me the question the other day, I did not recall the number of pounds of cotton which go into the manufacture of mixed products. However, in the hearings which have been held from time to time for the past 25 years within my knowledge, the question of the proportion of cotton going into mixed cotton-and-wool products has been gone into, and figures have been submitted.

So the matter of cotton entering into cotton-and-wool products is not really a new question. We went into it rather intimately years ago. I have not reexamined the hearings for a long time, and I was unable to answer the Senator from Vermont as to whether or not 100,000,000 pounds of cotton went into the manufacture of mixed fabrics. Assuming that that be true, however, it does not follow that in articles of furniture—which means upholstering of furniture—the knowledge of a customer that a certain proportion of the upholstering is cotton and a certain proportion wool would necessarily militate against the sale of that product, or against the use of cotton.

The only thing I had in mind, and still have in mind, is the possibility that in the purchase of wearing apparel such knowledge might have some effect. When a man is buying a suit of clothes, or a woman is buying a coat, suit, or something of that sort, the buyer might rather delude himself and we might rather delude ourselves into the belief that it is all wool, rather than that any part of it is cotton. We are all human in that regard. I would not be willing to say to the Senator, from my experience and observation, that the sale of 100,000,000 pounds of cotton would be affected by the passage of the bill, because I do not think the passage of the bill would militate against the use of that much cotton. It might in some small degree have some effect upon the sale of wearing apparel in which there is a mixture of cotton and wool. However, in upholstery and other materials in which the matter of personal pride does not enter, I doubt very much whether it would have any effect upon the sale of cotton, because frequently in upholstery and materials of that kind, and even in draperies, a mixture of wool and cotton rather adds to the wearability than otherwise.

Mr. THOMAS of Oklahoma. Does not the Senator from Kentucky realize that if the bill is enacted into law it will

require labels to be placed upon such things as shirts, ties, socks, underwear, and everything that contains wool?

Mr. BARKLEY. I do not think the bill goes that far.

Mr. THOMAS of Oklahoma. If the Senate bill should become a law, it would not go that far; but if the original bill as it came before this body should be enacted, anything that contained any wool, or that anyone suspected contained wool, or anything which was represented to contain wool, would be a wool product and would have to be labeled. That is what I objected to.

Mr. BARKLEY. The Senate has corrected that situation. Of course, the bill would have to go to conference unless the House agreed to the Senate amendments.

Mr. THOMAS of Oklahoma. As I understand, a similar bill is pending in the House. The two bills are not the same, but they are similar. The House has not passed the House bill. I cannot understand why the emergency is so great that one-half of the United States, which produces cotton, has not been given a fair opportunity to go into the matter.

Mr. BARKLEY. I think it ought to be said that during the quarter of a century in which I have been familiar with the subject, everybody has had an opportunity to be heard. Everybody who favored the legislation and everybody who opposed the legislation has had an opportunity to go into the subject; and volumes of testimony have been taken. It may be regrettable that an incomplete and probably an inaccurate and spontaneous response to a question asked by the Senator from Vermont the other day injected the cotton situation into the debate on this particular bill; but there was nothing new about the question. It was really so old that I could not remember the figures. Anybody who was interested in such legislation during all the time it has been considered for the past quarter of a century has had the opportunity to present his views. My recollection is, although I cannot recall the figures, that years ago testimony was submitted showing the amount of cotton that went into the manufacture of mixed products, and all other fabrics and component parts of fabrics that went into the manufacture of mixed products; so there is really nothing new in the subject.

Mr. THOMAS of Oklahoma. The only information I can obtain is from the Department of Commerce, from the telegram I have received from the cotton association, and from the brief extracts from the House hearings. The telegram from the organization which represents the woolen mills as well as the cotton mills states that vast quantities of cotton are used in the woolen-manufacturing business. The organization does not know how much is so used. It does not know the effect the bill would have on the cotton industry, but it has promised in the telegram to obtain and furnish the information as soon as possible.

If the Senate does not want that information, I do not want to force it upon the Senate. However, from the standpoint of my State, I want to do what I can to protect 1,000,000 bales of cotton grown in my State annually against a bill which might have a deleterious effect upon that cotton.

Mr. President, I do not want to hold up the bill indefinitely. I was in the Chamber yesterday afternoon on two occasions when other matters were under consideration. I did not care to inject the telegrams into the RECORD at that time, because they were all the information I had. I am perfectly willing to take up the motion and vote upon it as soon as we have the information. If that is considered too long a time to wait, I am willing now to enter into a unanimous-consent agreement that the moment we shall have concluded with the so-called lending-spending bill, which should not require more than 2 or 3 days, the next order of business shall be the motion to reconsider.

I am willing to enter into an agreement that debate at that time shall be limited to 15 minutes to a side, for all I want to do is to present my information. I do not think the lending-spending bill will take more than 2 or 3 days. By that time I shall have all the information I can gather; and at that time the motion could be laid before the Senate, I could present my additional information, and I would then be willing to take a vote.

Mr. President, in order to make the record clear, I shall submit a unanimous-consent request. As I understand, Senate bill 2864 is to follow the pending judicial bill. If that be true, I ask that at the conclusion of the consideration of Senate bill 2864 the motion to reconsider be laid before the Senate, and that debate shall be limited to 30 minutes—15 minutes to a side—whereupon the vote shall be taken.

The PRESIDENT pro tempore. Is there objection?

Mr. SCHWARTZ. I object.

Mr. O'MAHONEY. I object.

Mr. THOMAS of Oklahoma. Mr. President, that leaves me no alternative. I desire now to read——

Mr. ASHURST. Mr. President, will the Senator yield to me at this time?

Mr. THOMAS of Oklahoma. I yield for a question.

Mr. ASHURST. Mr. President, the Senator from Oklahoma has been ably supporting the Judiciary Committee in his insistence that an additional judge shall be provided for Oklahoma. I am converted. I believe the Senator from Oklahoma has made a case. Let us proceed, as practical men, with the business at hand. It is a well-known axiom of natural philosophy that one body cannot occupy two places at one and the same time. Let us proceed as men with the judicial bill and vote it up or vote it down. I shall be good natured, whatever may be done; whether it be voted up or whether it be voted down. And then let us take up other matters. But I submit that—not like children making mud pies, shaping one here and in a few minutes making another at some other place else, and letting the first one fall apart—we should proceed like sensible men to the business at hand and finish the pending bill.

Mr. BARKLEY. Mr. President——

Mr. THOMAS of Oklahoma. I yield for a question.

Mr. BARKLEY. Asking the attention of both Senators from Wyoming, may I suggest that the House of Representatives has not yet passed the proposed legislation affecting the truth-in-fabric matter. I think I may say to both Senators that the House will not pass upon such proposed legislation at this session. If we should send this bill over to that body today, in my judgment, the House would not act upon it before final adjournment.

In view of that situation, what would be really lost by agreeing to the request of the Senator from Oklahoma to pass upon the motion to reconsider immediately upon the conclusion of the bill which is to follow the judicial bill?

Mr. O'MAHONEY. Mr. President, the Senator from Oklahoma expressed the opinion that the legislation to which the Senator now refers will be disposed of in 2 or 3 days. From what I have heard around the Chamber, I am very much inclined to doubt the validity of that prophecy. It is my opinion that so soon as the judicial bill shall be disposed of the Senate will enter upon a prolonged discussion of the works financing bill. It is my understanding that the House committee, which is considering the companion measure to that offered by the Senator from Kentucky, has not as yet concluded its hearings.

Mr. BARKLEY. It has done so, I will say to the Senator.

Mr. O'MAHONEY. I am glad to know that, and that will, of course, help to expedite action. But it would seem to me to be altogether undesirable, so late in the session, to postpone the consideration of a mere motion to reconsider until discussion of any bill of such far-reaching importance as the works financing bill shall be concluded.

Mr. BARKLEY. Mr. President, let me say——

Mr. THOMAS of Oklahoma. Let me interject the statement that I am willing to agree that when the Senate convenes on Monday the first order of business, after the prayer, shall be the motion to reconsider, with a limitation upon debate.

Mr. BARKLEY. I appreciate the suggestion of the Senator from Oklahoma. The point I wanted to emphasize to both Senators from Wyoming—and I am in sympathy with their position—is that nothing would be lost by postponing the vote on the motion to reconsider for 2 or 3 days. I do not know how long the works financing bill will occupy the time of the Senate, but I do not think it will consume more than 2 or 3 days. If, however, it should consume a longer time, it would not be very material, because I can say to Senators that no effort will be made to adjourn the present session of Congress until that measure shall have been disposed of, one way or the other. So, in view of the situation in the House, and the unlikelihood of having the House act upon the truth-in-fabric bill at the present session, I do not see how time will be lost in the ultimate passage of the measure by waiting 2 or 3 days to pass upon the motion to reconsider. I am willing to agree to the suggestion of the Senator from Oklahoma. I would agree to fix Friday even or Thursday of this week as the date for a vote.

Mr. THOMAS of Oklahoma. This is Tuesday, may I say?

Mr. BARKLEY. Yes; this is Tuesday.

I would be willing to agree to vote at 12:30 o'clock on Friday on the motion of the Senator from Oklahoma, or on any other day this week, or not later than Monday.

Mr. THOMAS of Oklahoma. Mr. President, if this were an emergency matter, if someone was suffering, if someone was hungry, it would be different; but this is not that kind of bill. If this bill should pass, it would not go into effect for 6 months. So no harm can be done, in my judgment, by postponing the consideration of the motion by this body for 2 or 3 days and obtaining the information that is promised and that will be a benefit to one-half of the United States.

Mr. BARKLEY. Personally I think the Senator's request is not an unreasonable one. I myself am perfectly willing to accede to it if the Senator from Wyoming, the author of the bill, who made the report, would be willing to agree to vote on the motion to reconsider not later than 12:30 o'clock on Friday of the present week.

Mr. SCHWARTZ. Mr. President, I would be agreeable to that; but at the present time, in view of what the Senator from Oklahoma has been saying about cotton, I want to say something. The senior Senator from Arizona [Mr. ASHURST] just remarked that the Senator from Oklahoma had a good case. I have heard many plaintiffs who "had a good case" before the other side of the case was heard. I do not want for a moment to be precluded from stating the other side.

Mr. ASHURST. Mr. President, I meant the Senator from Oklahoma made a good case for an additional judge for Oklahoma. The able Senator from Wyoming must have misunderstood me. I think one of the great things the junior Senator from Wyoming and the senior Senator from Wyoming have done has been to secure the passage of the truth-in-fabric bill. It should have been passed 20 years ago. I congratulate those Senators. I said the Senator from Oklahoma made a good case, not on the truth-in-fabric bill but on the judges bill.

Mr. THOMAS of Oklahoma. Mr. President, that calls for an explanation. I have as yet made no speech and no statement on the judges bill.

Mr. ASHURST. The Senator handed me a brief, which I read, and which convinced me that Oklahoma should have an additional Federal judge.

Mr. THOMAS of Oklahoma. I am for the bill, I will say to the Senator from Arizona.

Mr. BARKLEY. Mr. President, if the Senator from Oklahoma will yield there, I will say that, of course, the Senator from Wyoming, upon being recognized by the Chair on this bill or on the next bill or any bill, can make a statement regarding the statement made by the Senator from Oklahoma.

If the Senator from Oklahoma will permit me—or he can do it himself—I should like to have the Senate agree now to vote on the motion to reconsider at 12:30 o'clock on Friday, as the colored man said, "irregardless" of what may then be before the Senate.

Mr. THOMAS of Oklahoma. Reserving the right to object, I will say that I think it would be unfair to cut off the junior Senator from Wyoming from making his explanation. It would be unfair to fix a time to vote on the motion in such a way that I could not even submit the telegrams which I am sure I shall receive. If the Senator will fix the time for a vote at 12:30 o'clock Friday, and provide a limited amount of time for debate on either side, that will be agreeable to me.

Mr. BARKLEY. If the Senator will yield, I ask unanimous consent that upon the assembling of the Senate on Friday the motion to reconsider the vote by which the truth-in fabric bill was passed shall be taken up for consideration, and that at the end of 1 hour's debate, to be equally divided and controlled by the Senator from Oklahoma and the Senator from Wyoming, the Senate shall proceed to vote on the motion to reconsider.

The PRESIDENT pro tempore. Is there objection?

Mr. O'MAHONEY. Mr. President, reserving the right to object, merely that I may understand clearly the request of the Senator from Kentucky, it is, as I understand it, that immediately upon the convening of the Senate on Friday next the motion to reconsider the vote by which the truth-in-fabric bill was passed shall become the unfinished business of the Senate, regardless of any other measure before the Senate at that time, which shall be temporarily laid aside; that there shall then be 1 hour's debate, one-half of which shall be under the control of the Senator from Oklahoma [Mr. THOMAS], who has made the motion to reconsider, and one-half of which shall be under the control of the Senator from Wyoming [Mr. SCHWARTZ], who has sponsored the proposed legislation, and that, at the end of the hour's debate, there shall be a vote without further debate.

Mr. BARKLEY. That is correct. The Senator understands the request accurately, except there is, probably, one point which should be suggested, namely, that the unfinished business of the Senate on Friday, whatever it may be, shall at the assembling of the Senate immediately be temporarily laid aside, and the motion to reconsider become the special order, to be concluded at the end of an hour's debate, as has been suggested.

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, I will ask if the Senator from Kentucky will not include in his request that a motion to lay on the table shall not be in order during that hour?

Mr. BARKLEY. I do not know whether such an unanimous-consent agreement would be in order. It could not be in order, I will say, in my judgment, for there could not be a vote on the motion to reconsider until the end of the hour. At the end of the hour, if no motion were made to lay on the table, the vote would come on the motion, and then a motion to lay on the table would be in order.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Senator from Oklahoma has the floor.

Mr. O'MAHONEY. Will the Senator yield to me?

Mr. THOMAS of Oklahoma. I will yield for a question.

Mr. O'MAHONEY. In order that I may clear up the question which the Senator from Oklahoma has addressed to the Senator from Kentucky, I am very happy to say to the Senator from Oklahoma that it is my understanding that under such a unanimous-consent agreement a motion to lay on the table could not be presented; and I, for one, would not present such a motion.

Mr. BARKLEY. That is my understanding.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oklahoma has the floor and will state his parliamentary inquiry.

Mr. THOMAS of Oklahoma. If the Senate enters into a unanimous-consent agreement to take up a certain matter at a certain hour, and that 1 hour thereafter the debate shall close and a vote shall be had, the inquiry is, Would a motion to lay upon the table be in order during that hour?

The PRESIDENT pro tempore. The Chair would hold that it would be inconsistent with the intent of the unanimous-consent agreement, and therefore that a motion to lay on the table would not be in order.

Mr. BARKLEY. Mr. President, it has been frequently stated by presiding officers that the Senate may do anything by unanimous consent. In order that there may be no doubt about the matter, I include in my unanimous-consent request a modification to the effect that no motion to lay on the table the motion of the Senator from Oklahoma shall be in order until the conclusion of the hour of debate.

Mr. O'MAHONEY. Mr. President——

Mr. THOMAS of Oklahoma. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I may say that the purpose of a motion to lay on the table is simply to shut off debate.

Mr. BARKLEY. That is correct.

Mr. O'MAHONEY. So that when there is a unanimous-consent agreement to limit debate, a motion to lay on the table would be altogether out of order and would be unnecessary, because a vote upon the original motion to reconsider would dispose of the question.

Mr. BARKLEY. I agree to that statement. That is correct.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Maine?

Mr. THOMAS of Oklahoma. I yield for a question.

Mr. WHITE. As I understand the unanimous-consent request, it is contemplated that on Friday there will be 1 hour of debate, one-half of the time to be controlled by one Senator, and the other half of the time to be controlled by another Senator.

I recognize the practice of the House of Representatives of permitting Members of that body to control the time, and to deal it out as those Members see fit to the other Members of the body, but I submit that that is a practice which ought not to be engrafted upon the senatorial system. I do not mind at all the limitation of 1 hour's debate, but I think the general rules of the Senate with respect to the right of a Senator to recognition and to speech should be followed, and that a Senator should not be relegated to the grace of some other Member of the body if he wants to discuss a measure.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. THOMAS of Oklahoma. Yes.

Mr. BARKLEY. For 50 years the Senate on special occasions has disposed of the time for debate in that precise way. It is not a practice that I would sanction as a general thing in the Senate to anywhere near the extent to which it prevails in the House; but under special circumstances the Senate frequently has adopted such a procedure, and I think there is nothing vicious about it now and then.

Mr. WHITE. Mr. President, I think it is a thoroughly vicious practice; and I dislike to see the Senate further commit itself to that method of controlling and regulating debate in this body.

I am not going to object to the unanimous-consent request, but I think the inclusion of any such provision in a unanimous-consent request is unwise. If there be a precedent, it is strengthening an unfortunate and an unwise precedent that we should not encourage in the future.

Mr. THOMAS of Oklahoma. Mr. President, in reply to the distinguished Senator from Maine, let me say that if this agreement is reached, I now make the statement that I shall not use in excess of 15 minutes. That will leave 15 minutes free for anyone who may be a proponent of the motion to reconsider.

The PRESIDENT pro tempore. The Senate has heard the unanimous-consent request of the Senator from Kentucky as modified. Is there objection? The Chair hears no objection, and the modified agreement is entered into.

ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (S. 2185) to provide for the appointment of additional district and circuit judges.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. REED].

The amendment was rejected.

Mr. REED. Mr. President, I offer a further amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, lines 2 and 3, it is proposed to strike out the words "western district of Oklahoma."

Mr. REED. Mr. President, among the absurd things in the bill, the clause I propose to strike out I think is perhaps the most absurd.

The State of Kansas, lying immediately to the north of Oklahoma, has one Federal district judge. If I correctly understood the junior Senator from Oklahoma [Mr. LEE] the other day, Oklahoma now has four Federal district judges. Am I correct?

Mr. LEE. Yes, Mr. President.

Mr. REED. The junior Senator from Oklahoma agrees. The bill proposes to give Oklahoma a fifth judge. Geographically, the two States are the same size. The Senator from Oklahoma the other day called my attention to the fact that Oklahoma has 2,600,000 population, and Kansas has something less than 2,000,000. The table of cases filed in the courts last year shows a considerable number in the western district of Oklahoma, but it also shows that in the eastern district of Oklahoma only 42 civil cases were filed in which the Government had an interest, and 72 cases were filed in which the litigants were entirely private litigants.

When there are four district judges in the same State, if the work in one district is heavy and in the other and adjoining districts it is light, it ought not to be difficult for the judges themselves to adjust the matter, and certainly the bill now pending before this body providing for an administrator in the judicial system would take care of a situation of that kind.

There is no personal feeling on my part about this matter. It just seems to me to be absurd that the State of Oklahoma, with 2,600,000 people, and with four Federal district judges now, should be given a fifth Federal district judge. It does not make sense. It has no rhyme or reason, and the amendment I have offered ought to prevail.

Mr. LEE. Mr. President, the genial Senator from Kansas [Mr. REED] has next selected Oklahoma for the slaughter. I do not know where the Senator's figures originated. I should have to look at them to be sure. Otherwise I would not have an opportunity to know.

Mr. REED. Mr. President, will the Senator yield?

Mr. LEE. However, I am going to quote from the annual report of the Attorney General of the United States for the fiscal year ended June 30, 1938, in support of the figures I shall offer.

As to the geographic comparison of Oklahoma and Kansas, or even the comparison from the standpoint of population, those are not necessarily conclusive arguments as against the provision for an additional judge. We need judges in proportion to the case load, and I propose to show that Oklahoma needs an additional judge. I go further

than that and say that Kansas needs an additional judge. I am not in a position to say what the Senator from Kansas would do if the situation were reversed and we had a Republican administration which was asking for these judges. I am not prepared to say what the Senator would do, but I will say that according to the Judicial Conference, Kansas needs an additional judge.

Kansas last year had a case load of 592 for the entire State. Oklahoma had a case load of 2,090 for the entire State. Oklahoma needs an additional judge; Kansas needs an additional judge; and the Judicial Conference, presided over by the Chief Justice of the United States, and composed of the senior circuit judges of the 10 circuits plus the senior judge of the District of Columbia, recommended an additional judge for the State of Kansas, and recommended an additional judge for the State of Oklahoma. The Senators from Oklahoma believe that we should have the additional judge in accordance with the recommendation of the Judicial Conference.

We further believe that the Attorney General was correct when he also recommended an additional judge not only for Oklahoma but for the State of Kansas, because of the case loads in the two States.

The case load in western Oklahoma is considerably greater than the average per judge for the entire country, and is growing greater year by year. During the fiscal year ending June 30, 1938, the number of civil and criminal cases filed in the western district of Oklahoma was 545, as against 371 cases per judge for the entire country.

Mr. REED. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. REED. Will the Senator be good enough to put in the corresponding figure for the eastern district of Oklahoma, which lies right next to the western district, so as to reduce the two Oklahoma districts to a common denominator? The work in one of them is heavy; in the other it is very light. They could be equalized, so far as the case load on the judges is concerned, merely by one judge helping the other.

Mr. LEE. If the Senator has the figures, I should be glad to have him submit them. Since the eastern district was not in controversy, I did not think to have the figures available.

Mr. REED. Mr. President——

Mr. LEE. If the Senator is about to read from the same source from which he read a while ago, I should say the figures were so far wrong that I should object to them going into the RECORD at this point. The Senator read something about 42 cases. I have quoted from the highest authority, the Annual Report of the Attorney General of the United States, for 1938, in which he reports that for the western district there are 545 cases, civil and criminal.

Mr. REED. Mr. President, I have referred only to matters put into the RECORD by members of the Committee on the Judiciary. What I have referred to is taken from an article written by Judge Otis, and he bases his information on the actual facts in the districts themselves, and I think as taken from the Attorney General's report. I was referring only to the civil cases, cases in which the Government was concerned, or where there were purely private litigants, because it is generally agreed among the lawyers here that criminal cases are quickly disposed of. In attempting to make a comparison, I have discarded the criminal cases, and confined my statement to civil cases. The information I read was taken from Judge Otis' report which, in turn, I understand, is official information taken from the Attorney General's report.

Mr. LEE. The Senator is entirely welcome to his complete reliance upon the quotation for his own information. However, I prefer the text of the Annual Report of the Attorney General of the United States for the fiscal year ended June 30, 1938.

There are three judicial districts in the State of Oklahoma, northern, eastern, and western, with one judge for each district and an additional judge serving in all districts; but in spite of the fact that Oklahoma has four Federal judges, the case load per judge is 174 cases greater than the number of cases per judge for the entire country.

Again, let us compare the State of Oklahoma with other States of approximately the same population which also have four judges. For example, take the States of Virginia, Louisiana, and Tennessee. Each of these States has approximately the same population as Oklahoma. Likewise, each of these States has four judges, but of the cases terminated during the fiscal year 1938, none of these States exceeded 1,500, whereas the case load in Oklahoma for that period was 2,090.

Mr. President, I ask unanimous consent to have printed at this place in my remarks a brief table supporting my last statement.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Statement showing the number of district judges in the State of Oklahoma as compared with other States having 4 judges and approximately the same population

State	Number of districts	Population, 1930 census	Number of district judges	Number of cases terminated during fiscal year 1938
Oklahoma	3	2,396,040	4	2,090
Virginia	2	2,421,851	4	1,345
Louisiana	2	2,101,593	4	1,173
Tennessee	3	2,616,556	4	1,442

Mr. LEE. Thus it will be seen that Oklahoma had 548 more cases last year than the nearest State to her, which is Tennessee, having a case load of 1,442, and had a load of 817 more cases for that period than the State of Louisiana, and 645 more than the State of Virginia.

Again, the heavy burdens of the cases tried by district courts in Oklahoma is borne out further by the number of appeals made from district courts to the Tenth Circuit Court of Appeals. In the fiscal year ending June 30, 1937, a total of 48 cases were appealed from Oklahoma. This was the highest number of cases appealed from any of the six States in the tenth circuit, the next State to it being Kansas, where 41 cases were appealed, and the next State being Colorado, where 14 cases were appealed.

In the fiscal year ending June 30, 1938, a total number of 52 cases were appealed from Oklahoma, whereas only 39 were appealed from Kansas. This trend shows how the case load in Oklahoma is increasing.

The State Legislature of Oklahoma, at its last session, passed a law establishing a permit system for the sale of spirituous liquors for certain exempted purposes. This permit system, according to the general counsel of the Bureau of Internal Revenue, makes Oklahoma the only State in the Union which has the protection of the Federal Government from the importation of liquor. Consequently, there will be an increase of Federal cases in Oklahoma.

The case load in Oklahoma is heavy because almost half of the Indian population of the United States resides within that State. These Indians are the wards of the Federal Government and Federal courts have jurisdiction of the cases affecting not only the Indians but their lands.

Now, therefore, I submit that Oklahoma needs this additional district judge for the western district, as shown by comparison of the case load of other States of similar population, as shown by the comparison of the case load of 545 per judge in Oklahoma as against the case load of 371 per judge throughout the country.

Mr. THOMAS of Oklahoma. Mr. President, the State of Oklahoma, either fortunately or unfortunately, is not like the other States of the Union. We have territory embraced within our State as other States have, but in that territory

we have a greatly diversified set of jurisdictions. In addition to that, there are in the State 2,600,000 people, with the north half of the State one kind of a State, the southern half another kind. By that I mean that in the north the people raise corn, wheat, alfalfa, and similar crops, and in the southern half they raise cotton and kindred products.

In addition to having a State with such a population of the regular kind, we have in Oklahoma almost one-half of the entire Indian population of the United States. One hundred and forty thousand Indian citizens live in Oklahoma. Those 140,000 Indian citizens are divided into 52 tribes, and remnants of tribes. Each tribe has its own reservation, and its own allotments under certain laws, and no two are alike.

On great numbers of these Indian reservations oil and gas are found. The title to the land has to be adjusted under the laws pertaining to the various reservations. That means that in my State the time of at least two Federal judges is needed to take care of the Indian litigation, cases growing out of Indian problems.

For example, one circuit judge has worked for 2 years trying to adjust the affairs of one estate, the so-called Jackson Barnett estate. Jackson Barnett was a poor, forgotton Creek Indian. He had a piece of land which no one would have. But oil was discovered upon his allotment, and from the time oil was found on the Barnett allotment, royalties accrued which have amounted to more than $3,000,000. When Barnett died a few years ago there was this great estate, to be probated.

Barnett had no known descendants, and no known heirs. Probably 500 people have laid claim to a part of the Barnett estate. Those 500 claimants were represented in the Federal court by upward of 100 attorneys, and it has taken Judge Williams 2 years to go into the case, to hear the evidence and the arguments, and to read the depositions, and even yet a decision has not been reached.

Mr. President, Oklahoma is different from the ordinary State in that we have the Indian problem, with many reservations, every reservation having its own private system of laws, which must be interpreted. I submit that is an additional reason why the courts of our State are far behind in their several dockets.

The western district in Oklahoma takes in the western half of the State, embracing the capital, Oklahoma City, a city of from 225,000 to 250,000 inhabitants, and, of course, a great deal of business gravitates toward the State capital. It is for that district that we desire to have an additional judge.

Mr. LEE. Mr. President, I wish to supply the figures which the Senator from Kansas requested concerning the eastern district of Oklahoma. I have just tabulated them. The cases add up to 774. The reason why the courts are able to handle that many is because of the roving judge, who holds court in the eastern district, and helps in the work.

Mr. REED. How many of those cases are criminal cases?

Mr. LEE. Six hundred and forty-one cases.

Mr. REED. There is quite a distinction. I have omitted, in giving the figures for my State, all criminal cases, unless I otherwise stated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kansas, on page 2, lines 2 and 3.

The amendment was rejected.

Mr. REED. I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, it is proposed to strike out all of lines 5 and 6, as follows:

(c) One, who shall be a district judge for the northern and southern districts of Florida.

Mr. REED. Mr. President, I have had about the luck that I expected to have, and after the pending amendment shall have been disposed of I shall take about 5 minutes of the time of the Senate to discuss the general proposition.

I now wish to take about 2 or 3 minutes to develop the part that Florida is playing in this tremendous scandal, a national scandal arising from the creation of additional Federal judgeships, for which there is no justification whatever, specifically as shown when dealing with the Florida question. There was a time following the great boom in Florida, back in 1925, when everyone down there went crazy about the value of land, and then went broke. There was a tremendous amount of litigation. It reached a peak sometime between 1925 and 2 or 3 years ago. I wish to show the situation as it is at the present time, using the basis that has been used, which the Senator has most cheerfully disregarded, and which is perfectly all right with me. It is not my basis. It is the basis used by one of the very ablest Federal judges in the United States, and put into the RECORD by the Judiciary Committee members themselves. I have not departed in a single respect from the information which the committee members themselves put into the RECORD.

I wish to refer to Florida. The southern district has a heavier load than the northern district. Eliminating criminal cases—and I wish very cheerfully to admit to my good friend the Senator from Oklahoma that the criminal load in Oklahoma is a great deal heavier than the criminal load in Kansas——

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. REED. I certainly do.

Mr. THOMAS of Oklahoma. A large number of our population came from Kansas, I will say to the Senator. [Laughter.]

Mr. REED. That was the kind that had to leave our State [laughter], and they found a resting place in Oklahoma, and most unfortunately many of them have never recovered from the habits which made us put them out of Kansas.

Mr. LUCAS. Why is the Senator so strongly against the Oklahoma and Florida judgeships?

Mr. REED. Mr. President, what did my distinguished friend, the Senator from Illinois say? I do not know where he got his chips, anyhow.

Mr. SMATHERS. He got them at the same place where the Senator from Kansas got his.

Mr. BARKLEY. Mr. President, I hope the Senator from Kansas will not permit himself to be interrupted now in the consideration of the bill. He has a right to the floor and he does not have to yield. I wish to protect the Senator in the enjoyment of his exclusive right to the floor.

Mr. SMATHERS. I should like to suggest that the Senator from Kansas allotted himself 2 minutes, and the 2 minutes are up.

Mr. REED. I thank the distinguished Senator from Kentucky. I have always yielded, and with a smile, if you please. I have wanted to conduct the debate as courteously and as fairly as could be done, and in as good nature as the seriousness of the subject will permit. I am going to take 5 minutes when we come to the closing consideration of the bill, when the Senate is ready to vote on the bill. Then I shall take 5 minutes to state some conclusions upon this kind of stuff.

Mr. BARKLEY. I am so anxious to get to that 5 minutes that I am rather impatient that we move forward now.

Mr. REED. I may suggest to the Senator from Kentucky that the Senator from Oklahoma and the two Senators from Wyoming and the Senator from Kentucky between them delayed—I am not fixing the responsibility, I am only stating the fact that those four Senators, between them, delayed the disposition of the bill for quite a long time. I am talking, and have talked, directly to the merits of this particular bill at all times.

If we consider the civil cases in the northern district of Florida filed in 1938—the fiscal year ending June 30, 1938, to which Judge Otis applied his measuring stick—there were

304 civil cases in the southern district, mind you, and 156 in the northern district. Added together and divided by two, they give an average of 222.

Again, Florida is a State within which there are two district judges. It is easy enough to arrange for help between one district whose courts are heavily loaded, and another district which has a very light load.

Certainly a condition of that kind does not justify the Senate, notwithstanding the recommendation of the Committee on the Judiciary to the contrary, to increase the number of Federal judges.

SEVERAL SENATORS. Vote! Vote!

Mr. KING. Mr. President, yesterday I discussed at some length the bill under consideration and I shall not consume much of the time of the Senate in further discussion. I desire, however, to repeat what I said yesterday, that in my opinion there are no sufficient reasons to justify the passage of the bill before us. There seems to be a mania to increase Government agencies and add to the great army of Federal employees. This mania manifests itself in connection with the judiciary. Many judicial districts have been created of late and a large number of judicial positions created. The movement for additional Federal judges has been greatly accelerated during the past quarter of a century and the movement seems to be increasing in volume if not in velocity.

As I stated in my remarks yesterday during the administration of President Harding provisions were made for the appointment of 26 additional district court judges and one circuit court judge. Not content with this great increase, Congress, during the administration of President Coolidge, provided for 2 circuit court judges and 22 district court judges. Notwithstanding this deluge of new judges soon after President Hoover had been inaugurated additional efforts were made to increase the number of Federal judges. Congress, responding to the spirit of the times, passed measures authorizing the appointment of nine district court judges and two circuit court judges. I have before me the districts and circuits to which these judges were assigned, but the demand for an increase in the courts was not satiated with the creation of the districts to which I have referred.

During the administration of President Roosevelt large additions have been made to the Federal judiciary. During the past 6 years Congress has passed acts authorizing the appointment of 41 district court judges and 7 circuit court judges.

Following the defeat of the bill to increase the number of judges of the Supreme Court of the United States, Congress gave consideration to the question of still further multiplying the number of judges and in 1938 measures were passed providing for 17 additional district judges and 5 additional circuit court judges. I did not believe that the condition of the courts required additional judges nor did I believe that the creation of so large a number of judicial positions under the administrations of Presidents Harding, Coolidge, and Hoover was justified.

It is unnecessary to add that I have not approved of the large number of judicial positions which have been created under the administration of President Roosevelt.

An impartial study of the article prepared by Judge Merrill E. Otis, which was placed in the RECORD last Friday, will demonstrate that too many Federal judges have been appointed and that the present demand for additional judges is without warrant unless perhaps one may be needed in the southern district of New York.

It has been shown during the discussion of this bill that the work of the courts is decreasing and that the number of cases is falling off and the legitimate demands for increased judicial machinery are not warranted. In my opinion, there has been too much pressure, certainly during the past quarter of a century, for the creation of additional judicial districts and the appointment of additional Federal judges. Without being critical, I cannot help but believe that our judicial machinery has not been employed to the extent which it was capable. Members of the bar, in my opinion, have contributed to the delays of the courts in the handling of cases pending in the courts. The record shows that there has been a decline in the number of actions brought in the Federal courts.

Notwithstanding the decline, demands have been made for additional judges. There have been, as I recall, approximately 100 additional judges within the past few years. And the record now shows that there are approximately 309 Federal judges and 15 upon the retired list. The bill under consideration calls for two additional circuit judges and six additional district judges.

During the past quarter of a century in nearly every session of Congress measures have been introduced to increase the number of judicial districts. I am repeating when I say that pressure has been brought to create additional judicial districts and to augment the number of judges. It is believed by many that political considerations have not always been absent in passing upon this important question.

I adverted to the fact, in my address yesterday, that the judiciary was the most important branch of our Government and should be absolutely free from politics. However, there are evidences that political considerations have not always been absent in the creation of new judicial districts and in the appointment of additional judges.

The Senator from Kansas has just condemned the efforts to secure additional judges and has indicated that the same are unworthy.

During the discussion yesterday it was clearly shown that there was no justification for the creation of additional judicial districts, and there was a complete absence of any reason that would warrant providing an additional judge for Florida and also for Oklahoma. The same may be said concerning the provision for an additional judge for southern California.

However, the forces behind this bill are so powerful that opposition will be unsuccessful. It is quite likely that in the next session of Congress new demands will be made for the creation of additional Federal districts and for the appointment of additional circuit and district judges. If the Senate did its duty, it would defeat this bill and give notice to the country that no additional Federal judges shall be provided for until the evidence conclusively shows that they are imperatively needed.

I shall vote against the bill and regret that the opposition will not be sufficient to defeat it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kansas, on page 2, lines 5 and 6.

The amendment was rejected.

The PRESIDENT pro tempore. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. REED. Mr. President, I thank the Senators from New Jersey very much for letting me handle my own affairs in my own way and in my own time. I shall try not to occupy too much of the time of the Senate. The votes have been very overwhelming against my proposed amendments, as I had expected. The votes are very significant. However, they are not indicative of the maintenance of a sound public policy. I do not want the Senators who are in the Chamber now to think that their vote today can make an unsound public policy into a sound public policy. Litigation in this country has decreased, as the Senator from Utah said. In the face of decreasing litigation and of the need for fewer judges, there has been an increase of 100 Federal judges in recent years, and we now have before us a bill, upon which we are voting today, which proposes further to increase both the circuit court judges and the district court judges, in contravention of every existing fact, and every bit of information as to the trend of litigation in the country.

I cast no personal reflections upon my good friend from Arizona, the Chairman of the Judiciary Committee. I have

no feeling about any of these cases. I number among my friends particularly the distinguished Senator from Vermont [Mr. AUSTIN], a very warm friend who sits on my side of the Chamber. I do say upon my responsibility as a Senator of the United States that the Senate today has done a bad job from the standpoint of what would be an honest, decent, courageous, and straightforward policy regarding the Federal judiciary of the United States of America.

All the overwhelming "ayes" by which the bill may be passed will not change the accuracy or the soundness of that statement.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. ASHURST. I am far from being irritated. The Senator is secure from my prejudice. Whenever a Senator so manfully and boldly champions the view he entertains, he is secure from my prejudice. I respect him rather than otherwise.

However, Mr. President, on one side are the Attorney General, the judicial conference, the special committee, and the Senate Committee on the Judiciary. They may all be wrong, and the Senator from Kansas may be right. I scarcely think so. However, I repeat that the Senator from Kansas is secure from my prejudice, as is anyone who so manfully argues what he believes.

Mr. President, that is all I desire to say.

Mr. REED. The Senator's committee could not follow the judicial conference, and did not follow the judicial conference. The committee could not follow the Attorney General, and did not follow the Attorney General. Therefore, the conclusions of the judicial conference and of the Attorney General were not regarded by the committee as sound and conclusive. Is that correct?

Mr. ASHURST. That is correct. The majority of the Senate Committee on the Judiciary did not agree that the entire number of judges asked for by the judicial conference and the Attorney General were necessary at this time. The committee should not be blamed for erring, if it erred. Taking the view of the Senator from Kansas, we erred on the side of conservatism and prudence.

Mr. President, I ask for a vote on the bill.

Mr. REED. Mr. President, I was praising the committee for taking the attitude it took. I am citing that circumstance only to point out that not even the judicial conference, presided over by the Chief Justice of the United States, could make or did make a report which was acceptable to the Senator's committee. The same observation applies to the Attorney General. When Senators, in support of an additional judge for their State, quote such support as comes from the judicial conference or from the Attorney General, I leave the action of the Judiciary Committee as a complete answer to the fallibility or infallibility of such organizations.

The PRESIDENT pro tempore. The question is, Shall the bill pass.

The bill (S. 2185) was passed.

Mr. ASHURST. Mr. President, I may not be in the Chamber if and when conferees are appointed. If I should be absent, I respectfully request that the Senator from New Mexico [Mr. HATCH], the Senator from Nebraska [Mr. BURKE], the Senator from Kentucky [Mr. LOGAN], the Senator from Vermont [Mr. AUSTIN], and the Senator from Connecticut [Mr. DANAHER] be appointed conferees on the part of the Senate if it becomes necessary to appoint conferees.

I may be a little premature. I merely ask the Chair to appoint the Senators whom I have named as conferees on the part of the Senate if and when the time arrives for the appointment of conferees.

The PRESIDENT pro tempore. If and when conferees are appointed, if the present occupant of the chair is then in the chair, he will announce that the Senators named are appointed conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 839) to amend the Retirement Act of April 23, 1904, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, and Mr. ANDREWS were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLAND, Mr. SIROVICH, Mr. RAMSPECK, Mr. WELCH, and Mr. CULKIN were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLAND, Mr. SIROVICH, Mr. RAMSPECK, Mr. WELCH, and Mr. CULKIN were appointed managers on the part of the House at the conference.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2864, Calendar No. 936.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. WAGNER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	La Follette	Russell
Andrews	Downey	Lee	Schwartz
Ashurst	Ellender	Lodge	Schwellenbach
Austin	Frazier	Logan	Sheppard
Bailey	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Stewart
Barkley	Gillette	McKellar	Taft
Bilbo	Green	McNary	Thomas, Okla.
Bone	Guffey	Maloney	Thomas, Utah
Borah	Gurney	Mead	Tobey
Bridges	Hale	Miller	Townsend
Brown	Harrison	Minton	Truman
Bulow	Hatch	Murray	Tydings
Burke	Hayden	Neely	Vandenberg
Byrd	Herring	Norris	Van Nuys
Byrnes	Hill	Nye	Wagner
Capper	Holman	O'Mahoney	Walsh
Chavez	Holt	Overton	Wheeler
Clark, Idaho	Hughes	Pepper	White
Clark, Mo.	Johnson, Calif.	Pittman	
Connally	Johnson, Colo.	Radcliffe	
Danaher	King	Reed	

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Eighty-nine Senators have answered to their names. A quorum is present.

Mr. BARKLEY. Mr. President, I realize that after 5 hours of a session of the Senate we are rather at a disadvantage in attempting to begin at this hour of the day the consideration of a bill of the importance of the one now under consideration. However, I wish to make a general statement concerning the measure, its background, the reasons for its introduction, and, in a general way, what it attempts to do.

Since 1929 or 1930 we have been progressively engaged in bringing more and more to bear upon our social and economic problems the authority, influence, and cooperation of the Federal Government. However regrettable the necessity for this may be, however much we might have preferred that the course of our economic, industrial, and social life might have made it unnecessary for the Government of the United States to engage in many of the activities which it has undertaken as a result of this condition, we have been confronted, as a great President once remarked, with a condition and not a theory.

I dare say that if the course of our economic life had gone along in the ordinary sequence of events, there would have been no demand by the people that the Government of the United States engage in many of the activities which it has undertaken in the past 6 or 8 years; and there would have been no necessity for the Government, as such, to have placed at the disposal of the American people its taxing power, its credit, and its cooperation in undertaking to guide the people out of the morass of depression and despondency toward what might be hoped to be the enjoyment of all the abundent resources with which our country has been blessed by nature.

But the conditions which have faced this Nation and the world since 1929 and 1930 have been of such a character as to make it incumbent upon the Government of the United States to indulge in activities probably not contemplated by the men and women of a previous generation. I say that all of us probably would have preferred that this necessity had not existed, unless there be some among us who, in advocacy of some theory, would prefer to see the Government engage in these activities in the normal course of the exercise of its functions.

We have in this country unbounded resources; we have almost unbounded credit; we have almost unbounded reserves of money and credit. The Federal Reserve Board on yesterday made public a statement showing the gradual improvement in business conditions over a period of several weeks or months, and a week or so ago it also released information showing that the peak of reserve credit in this country has almost again been reached. Notwithstanding the fact that we have unbounded credit and unbounded resources, and that we have a reserve which has been multiplying and accumulating over a period of years, drawn from nearly every other nation in the world, due to world conditions, we still have a very serious economic condition, involving the unemployment of almost 10,000,000 able-bodied men who are anxious to work, who desire to make their contribution toward recovery and toward the enjoyment of normal life in this Nation but who are without employment today, by no fault of their own.

Whether this situation has been produced by any shortcoming of Government in previous years we need not now stop to inquire. Whether some policy followed in the years gone by has brought this debacle upon the American people or whether it might have been avoided by another course not pursued it would be futile now to discuss. We have the condition. We have such a condition that money and men are not being brought together in sufficient proximity with resources to bring about the production of commodities for sale in the market place, resulting in purchasing power on the part of the American people that would enable them to absorb unemployment.

We have tried the Works Progress Administration which, I think, has on the whole, done a splendid piece of work, involving the employment of about 3,000,000 men at any given time—sometimes a little greater number and sometimes a fewer number. The activities of the Works Progress Administration have had, perhaps, some grievous faults, probably incident and inherent in a widespread unemployment program brought together in haste as a result of economic conditions which have to be met and dealt with at least, in the first instance, without great deliberation, but in spite of its faults and its shortcomings, this program has brought to almost every township, every school district, every county, every city, and every State in the Nation permanent values in the way of permanent improvements they never would have obtained and could never have hoped for if they had relied upon their own immediate resources and ability. Yet with all the work, all the construction that has been accomplished by the Works Progress Administration, millions of men have still remained unemployed.

We have also had the Public Works Administration, based upon a slightly different foundation and underlying it a slightly different theory. In view of the fact that during the progress of the P. W. A., as we call it, approximately $4,000,000,000 worth of non-Federal projects have been undertaken and completed in the United States, with all the opportunities for misconduct and the misuse of funds that the expenditure of such enormous sums of money might involve, I believe I can say—and I think the Senate and the country will concur in the statement—that no similar amount of money was ever expended under the jurisdiction of any individual, either in war or in peace, that has involved so little criticism, so little misappropriation or waste of funds, or so little lack of business acumen and foresight. Yet in spite of the vast sums expended by the Public Works Administration, added to the amount spent by the Works Progress Administration, we have not been able to absorb the unemployment which has faced our country for nearly a decade.

We have also had the Civilian Conservation Corps, which has drawn from every community throughout the Nation young men between 18 and 25 years who not only have done a fine job physically in the improvement of all sorts of facilities on which they have labored but who at the same time had brought to them a new conception of the relationship between the Government of the United States and the people and a new relationship between them and society of which they are a part and whose responsibilities must in the very near future be assumed by them.

These men, numbering in the aggregate two or three million, averaging from 300,000 to 500,000 at any one time, returning to their homes a very large proportion of the modest pay which they have received, have been thus kept probably in large numbers from the relief rolls in the States, counties, and cities, and because of the character of their work, because of the improvement—moral, educational, and physical—which has been brought to them through this work, we can all testify to the fact that there is almost a universal sentiment in the Nation for the permanent adoption of the Civilian Conservation Corps as a part of the activities of our Government. So well have they done their work, so fine an impression have they made in every community where one of their camps has been located, that in my State there has never been a movement or a suggestion to remove one of them from a neighborhood in which they are located that has not brought a protest from the community against such removal. But, in spite of these things, we still have unemployment.

So, Mr. President, we are today confronted with a situation which challenges the earnest consideration and the single-minded devotion of every man, woman, and child in America, and certainly every man and woman in a responsible position, without regard to politics, geography, color, or religious distinction.

Mr. LEE. Mr. President, will the Senator yield at that point?

Mr. BARKLEY. I yield.

Mr. LEE. The Senator stated that scarcely any project had been removed, or its removal talked of, without a protest from the community. It reminded me of a letter I received from one of my constituents, who said:

DEAR SENATOR: Stop this blankety-blank spending.

Last paragraph:

Don't cut off any of our projects.

[Laughter.]

Mr. BARKLEY. That emphasizes the old statement that "the tariff is a local issue"; and very frequently expenditures are.

As I was saying, without regard to undertaking to fix responsibility—and I do not attempt it; men have been writing for a decade about the responsibility for the condition which faces this country—without regard to the responsibility, political or governmental or legislative or executive, we are faced with a problem which we have not yet solved, the question of unemployment in the United States; and I do not know how near we are to a final solution of the problem.

We started out at the beginning of this administration in an effort to solve it through the recommendations of business in the enactment of the National Recovery Act, spon-

sored by the able Senator from New York [Mr. WAGNER], which was declared unconstitutional by the Supreme Court. Whatever may have been the defects of that law, whatever may have been the lack of wisdom in Congress in framing the law, and whatever may have been the misfortune of the type of case upon which the test was made, it was an effort initiated by industry, by business in cooperation with the Government and those who labor, to solve, at least for the time being, the economic problem which faced the United States in 1933.

We have tried to solve the question of unemployment by the wage and hour law. I have always believed and I now believe that if we have reached the time or if we shall ever reach the time in this Nation when we must decide whether all our people shall be able to work three-fourths of the time or whether three-fourths of them shall work all the time and one-fourth of them never work at all, we must decide in favor of the former of the two courses. If there is not sufficient work in the United States in the production of the necessaries of life and in their distribution so that all of our people who are capable of labor may share that labor in order to support themselves and their families, and look their fellow men in the face with pride and assurance under a great nation, then it seems to me we must devise some other alternative by which we may provide for the fair distribution of labor among those able and willing to work.

In order that we might make a beginning, that we might start the process of distribution of available labor among available laborers, we enacted the wage and hour law, by which we have undertaken to cut down unreasonable hours, in order that more men might be able to be employed, and in order that we might lift unreasonably low wages, so that purchasing power among those who do work might be enlarged, and thereby they might be enabled to buy more of the things that other men and women produce, and with the endless chain of increase in the purchase of commodities, increase in their production, and automatic increase again from time to time in purchasing power, we might ultimately reach a time when all our people might be able to work in the production of things necessary for the enjoyment of life in the United States.

As another means of solving the question of unemployment we enacted the Social Security Act, designed to give a measure of security against unemployment in abnormal times and in abnormal amounts. We have provided a beginning, which I think is only a beginning, in old-age assistance, in order that there may be a time in the history of every man's life in America when he will feel that after he has devoted the best of his years to activity, whether in war or in peace, whether in business or in the schoolroom or behind the counter or in a bank or on the farm or in the church, and has been unable to accumulate a sufficient amount of this world's goods to enable him to look forward to retirement with any degree of assurance or consolation, a generous and just society will make it unnecessary for such a man or such a women to look forward with fear and trepidity toward the coming of old age; and in order that those persons might retire from the field of actual labor and give way to younger and abler and stronger men, and thus spread employment among those more qualified to perform labor in any field, we endeavored to make at least a contribution toward the solution of the question of unemployment in the United States.

Mr. President, all these methods, and others, too, which I need not recount, but with which every Senator is familiar, have been undertaken in a tardy fashion by the United States of America; for in nearly every other progressive nation in the entire world such activities have been undertaken and carried much further over a period of a quarter of a century than is the case in the United States.

So, Mr. President, we now find ourselves with millions of our people unemployed. We find ourselves with undeveloped resources. We find a lack of purchasing power on the part of the average man and woman and the average family in America, which makes it impossible for the American people to enjoy the degree of prosperity, the degree of security, the degree of faith in the future which, in my judgment, are essential to the perpetuity of our institutions.

We talk about an annual national income of forty, fifty, sixty, seventy, or eighty billion dollars. In his message to Congress at the beginning of this session the President set as a goal an annual income of the American people of $80,000,000,000. There is nothing fantastic about that figure. I should not be satisfied to look forward to a time 10 years from now and feel that $80,000,000,000 was the limit of the annual income of the American people. I think the time will come when we shall reach not only eighty but ninety or one hundred billion dollars, and it may be that before the youngest Member of the United States Senate ceases to be an active member of society we may even reach $150,000,000,000 as the annual income of the American people. But we cannot continually look with indifference upon unemployment, and the unsatisfied condition of a large proportion of the American people in the enjoyment of the natural resources of our country, the enjoyment of an opportunity to live and to educate their children, and to enjoy not only the necessaries but some of the luxuries of life.

There is a large amount of unused capital in the United States; and the reason why it is unused is a matter upon which we need not spend a great deal of time. We hear much discussion about faith and confidence. Of course, our whole business and economic structure is based upon faith and confidence. If one does not have faith in a bank, he does not put any money in it. So long as he has faith in it, he will keep his money there; but the very moment he begins to lose faith in a bank, he takes out his money. So long as we know we can get our money, we do not want it; but the very moment we begin to suspect that we may not be able to get it, we want it.

Undoubtedly there has been and there is a hesitation on the part of private capital to venture very far out from shore in the investment of its money in construction, or to some extent in business enterprises; and there are some persons in our country who take the position that it is due to some act or policy of our Government that men are not willing to rush forward as they did in 1929 and invest their money in stocks or in other business ventures.

There are those who contend that we owe too much money now, that the debt of our country is too large, and that, because of this enormous debt on the part of our Federal Government, business is hesitant and timid, and that we are on the road to bankruptcy because of the size of the national debt.

I share the same regret with respect to the necessity for the increase of our public debt that I expressed a short time ago in reference to the embarkation of our Government on the various activities which have characterized it for the last 2 years. But in determining whether we are on our way toward bankruptcy as a people, I think it is legitimate not only to consider the size of the debt of the United States Government but to consider the size of the debts of the American people combined and in the aggregate. When we consider the size of the debts of the American people in the aggregate, I find nothing to give alarm to our country.

In 1921 the total debts of the American people, all sorts of debts—Federal debts, State debts, county debts, city debts, farm debts, home debts, railroad debts, all sorts of debts——

Mr. WALSH. Private and public?

Mr. BARKLEY. Private and public, amounted to $110,000,000,000. By 1926 the figure had risen to $140,000,000,000. In 1921 the debt of the United States Government was approximately $24,000,000,000. It gradually went down, under a refunding plan which was adopted, I may say, in the administration of Woodrow Wilson. The public debt of the United States declined until in 1930 it was $15,922,000,000—practically $16,000,000,000.

However, while the Federal debt had declined from $24,000,000,000, in 1921, to $16,000,000,000, in 1930, the total debts of the American people of all kinds, public and private, had risen from $110,000,000,000 to $161,000,000,000. So that during the period from 1921 to 1930, while the public debt of the

Government of the United States was declining about $8,000,000,000, the total debts of all the people, public and private, had risen about $50,000,000,000.

In 1931 the public debt began to increase again. It rose from $16,000,000,000, in 1930, to over $19,000,000,000, in 1932, and to over $22,000,000,000 in 1933, and at the end of 1938 it was $36,576,000,000.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BARKLEY. In a moment. While the combined debts of all the American people, public and private, had risen to $161,000,000,000, practically, in round figures, in 1930, by 1938 the total combined indebtedness, of all kinds, of all the people of the United States had dropped to $155,000,000,000. I yield to the Senator from Colorado.

Mr. ADAMS. I do not wish to interrupt the course of the Senator's argument, but there are two matters about which I should like to inquire, if it will not disturb his thought.

Mr. BARKLEY. I yield to the Senator.

Mr. ADAMS. When the Government debt dropped to $16,000,000,000, were there any indirect debts, or debts guaranteed by the Government? Had the R. F. C. been established at that time, and were there any Government-guaranteed debts, or any indirect obligations at that time?

Mr. BARKLEY. The Reconstruction Finance Corporation was established in February or March 1932, I believe, and began to issue bonds at that time in order to obtain money with which to carry out its purposes. To what extent it had issued bonds to guarantee obligations of the Government in 1932 I cannot say. But the other agencies which have since been created, such as the Home Owners' Loan Corporation, the Federal Housing Administration, and other activities which have been established since 1933, did not exist in 1932.

Mr. ADAMS. If I may make one further inquiry in order to get the judgment of the Senator, I have had a feeling that the depression which came upon us in 1929 and 1930 was more chargeable to the vast increase in private and corporate indebtedness than to any other single cause. I wonder what the judgment of the Senator from Kentucky is on that question.

Mr. BARKLEY. There is much to be said in support of that theory, but it is a historic fact that all periods of prosperity, so-called, whether real or spurious—and many of us believe that especially in 1927, 1928, and 1929 the prosperity was not real—when everyone in this country thought that there never again would come a day when anyone would be steeped in poverty, when all the poorhouses were to become fading memories in the minds of men—during all periods of intense prosperity, whether real or spurious, there has been an increase in the debt of the people of the United States, and from 1920 to 1930, the period referred to as the heyday of prosperity in the United States, the average increase in the debt of the people of our country was about $6,000,000,000 a year.

Mr. ADAMS. So, while the use of credit is essential to a prosperous condition, an excess use of it brings on depression.

Mr. BARKLEY. Yes. Credit is like many other things; used properly and in the right proportions it is an indispensable agency of the people, but, like other things, it can be abused; it can be carried too far, and undoubtedly in the latter part of the decade from 1920 to 1930, which was characterized by a speculative fever such as I cannot remember—and I doubt whether the Senator from Colorado, who is much younger than I am, can remember such a period—there was an excess and an abuse of credit, spurred on by a speculative mania not altogether discouraged by men in high places in the United States.

Mr. ADAMS. We could go beyond that; it was encouraged by men in high places, was it not?

Mr. BARKLEY. I think that is true. The point I am trying to make is that all our wealth in this country stands back of all our debts. Whether a debt is public or private, the property of the people of the United States stands behind the debt. Otherwise, it would be unsafe for us to indulge in credit of any kind.

The figures may be somewhat varied by either an increase or a decrease in the general field of indebtedness in the last 6 months, but when we consider that at the end of 1938 the entire debt of all the people of the United States, public and private, which constitutes a mortgage upon all the property of the United States, had declined from $161,000,000,000 to $155,000,000,000, I think we can say with some degree of assurance that we are not headed toward bankruptcy.

Mr. ADAMS. The Senator does not feel that the Federal Government should consume all of the reduction in private and corporate indebtedness, does he? Some of us are a little uneasy lest in Government financing we go beyond what may be considered proper credit, and go to extremes, perhaps, until we reach the point which private credit expansion reached in 1929. There is a point beyond which the Government credit may be expanded too far.

Mr. BARKLEY. I agree that there may be. How near we have come to that point is a matter which is open to legitimate dispute. But I will say to the Senator from Colorado, and to other Senators, and all others interested in any views which I may entertain, that I regret that it has been necessary for the Government of the United States to borrow a single dollar in order to furnish credit to those who are entitled to it in the United States because private credit has not been available to them.

I would infinitely have preferred that the banks and other lending agencies in the United States should have furnished the credit so essential for the American people rather than have the Government of the United States do it, but in the absence of either the ability or the willingness of private lending agencies to furnish the credit, in my judgment, there was no alternative, except the entire collapse of our economic and social order, unless the Government of the United States for the time being should enter the breach and provide the credit which others were either unable or unwilling to provide.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. The Senator's analysis of debts of various kinds is exceedingly interesting. However, I should like to have one further analysis if the Senator is able to give it. The Senator now is speaking entirely of the Government debts. There are two kinds of debts. There are debts in the shape of loans or other investments, if there be investments, which will bring returns eventually, in theory at least, and I think usually in practice, which will pay them off. Such debts are very different from debts which we never can expect to recover. Can the Senator give us accurate information as to how much of the public debt of the United States is of such a nature that we have reason to believe it will be repaid? What provision has been made in the way of recovering on loans made by the Government? What proportion of the Government debt is represented by loans which we can expect to be repaid to the Government so it will not be necessary to use the taxing power of the Federal Government to pay it off? I hope I have made my question plain.

Mr. BARKLEY. Yes; I understand the question. That is a situation which I think is important to keep in mind all the time in considering debt, and it is a situation which is not always accurately kept in mind by those who discuss the public debt of the United States. I am not able at the moment to give the Senator the exact figures. Assuming that our present National Treasury debt amounts to about $40,000,000,000, my recollection is that approximately one-fourth of that is recoverable, but I will get the exact figures. I may be slightly in error as to the approximate amount.

Mr. NORRIS. The Senator realizes, of course, that if we go into debt with a reasonable assurance that the debt will be repaid to us such a debt should not give us as much concern as a debt to pay which we must use the taxing power. There is a great difference between the two. A large debt which under ordinary circumstances will be reduced through repayments of loans to the United States Treasury should not give us great concern, as I see it, whereas if we go into debt rapidly and to a very large amount, and the debt is of such a nature that we know the people of the United States must be taxed to pay it; that debt should excite the concern

of every legislator and everyone who has anything to do with it.

Mr. BARKLEY. At the beginning of 1933, following a year in which there had been no activity whatever among the land banks, scarcely a loan having been made in 1932, and very few in 1931, the farm-loan system set up in 1916 having ceased to function, in order to inject new blood into its veins, and make it flow, we started out by appropriating $125,000,000 from the Treasury to be put into the capital stock of the Federal land banks, and later we put in some more money, all of which is, of course, recoverable. We have loaned about $3,000,000,000 to home owners in the United States, all of which is recoverable in theory. Some of it is not recoverable against individuals, in which case the Home Owners' Loan Corporation, like any other money lender, takes possession of the property, holds it or rents it, and so manages it as to get back what the Government has put into it. Those are merely two instances of loans and investments made by the Government of the United States through its Treasury which are supposed to be recoverable.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. The Senator from Kentucky certainly does not contend that the bonds of the Home Owners' Loan Corporation, amounting to over $3,000,000,000, are included in the direct debt of the United States Government.

Mr. BARKLEY. I will say to the Senator from Virginia that a part of the money which the Reconstruction Finance Corporation loaned at the beginning was money made available out of the United States Treasury. Of course, expenditures, due to increase in the personnel, whose salaries have been paid, all of the W. P. A. expenditures, ranging all the way from one and three-quarter billion dollars to a little over $3,000,000,000, represent money that has been spent without any hope of recovery. We do not expect to get that money back. But I think it is well within the truth—and I will get the exact figures—that almost one-quarter of the entire direct debt of the United States may ultimately be recovered.

Mr. BYRD. Mr. President, I think the Senator from Kentucky will find himself very much in error in that statement, because nearly all of the recoverable items in loans made by the different lending corporations are not included in the direct public debt.

Mr. BARKLEY. Not all of them. The Senator is partly right, and I am partly right. Not all of them were included. But at the beginning of the program the Treasury of the United States was drawn upon for some of these funds.

Mr. BYRD. Mr. President, the amounts advanced out of the General Treasury were to purchase the capital stock of some of these corporations, and on the capital stock will fall the first loss. I think the Senator will find upon investigation that he is very much in error when he says that one-fourth of the present direct debt amounting to $10,000,000,000—one-fourth of $40,000,000,000—will be recoverable.

Mr. BARKLEY. If I am mistaken——

Mr. BYRD. I think the Senator will find that not over 5 percent of the present direct debt is recoverable. He will find, on the contrary, that there is going to be a large loss from the Goverment lending corporations, and that those losses will have to be transferred to the direct debt or paid by current taxation.

Mr. BARKLEY. I do not think anybody can say now whether the contingent losses that may occur will be large or small.

Mr. BYRD. The reason we cannot say whether they are going to be large or small is because there has been no appraisement made of the assets of these corporations. Some have been operating for 5 years without an appraisement being made. The Senate adopted a resolution recently providing for the first appraisement to be made of the assets of these corporations.

Mr. BARKLEY. Many of these corporations have kept their affairs current, and not only have they not lost money, but have paid back to the Government more than they have acquired from the Government.

Mr. BYRD. The Commodities Credit Corporation has lost its capital stock twice. Its first capital stock was $100,000,000 paid direct by the Treasury Department. It lost $94,000,000 one year. The next year it lost $119,000,000, or 119 percent of its capital stock. That was repaid by direct Treasury appropriation.

The Senator does not contend that all the loans made by the Home Owners' Loan Corporation are recoverable, does he?

Mr. BARKLEY. There are large losses due to default on the part of home owners who have been unable to keep up their payments, but in every case the Home Owners' Loan Corporation has possession of the property. Whether there will be an ultimate loss or not is dependent on whether the property may be sold for the amount of the loan.

Mr. BYRD. Even the most casual investigation will disclose that there are heavy losses resulting from those loans, because there are large numbers of properties which are now in default and have to be repossessed by the Government.

Mr. BARKLEY. On the contrary, the Reconstruction Finance Corporation, while it has had individual losses, on the whole has made sufficient profit that it now has a surplus of nearly two hundred and fifty million or two hundred and seventy million dollars. From that surplus there would be a reduction of probably $150,000,000, but even so, the Reconstruction Finance Corporation has over $100,000,000 of net profit.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. Is it not true that the so-called profits that now exist in the Reconstruction Finance Corporation are due to the fact that the Reconstruction Finance Corporation took advantage of the gold-clause legislation which we enacted here and derived the benefits of that devaluation?

Mr. BARKLEY. No; not to that extent. There may have been a small profit, but a part of the profit made by the Reconstruction Finance Corporation has been made by reason of the fact that it was able to borrow money at lower rates than those charged by it in making loans. A part of the profit has been made in that way. I am not able to answer the Senator as to whether or not any of the profit which is credited to the Reconstruction Finance Corporation was due to gold operations.

Mr. McCARRAN. I make the statement—and I hope the Senator will correct me if I am wrong—that the Reconstruction Finance Corporation took advantage of a "preview" of the devaluation of the dollar, and thus credited itself with a profit due to that process as it passed through the Congress of the United States.

Mr. BARKLEY. I have never heard of such a thing; and, so far as I know, it has not been revealed in hearings before any of the committees of Congress.

Mr. McCARRAN. I think if the Senator were to investigate that matter he would find that my statement is true.

Mr. BARKLEY. I shall look into the subject, but I never heard of it.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. Suppose it be true; what is wrong about it?

Mr. McCARRAN. There is nothing wrong about it, except that if someone else did it, it would be very wrong.

Mr. BARKLEY. Not any more so than if anyone else speculated in silver, gold, wheat, cotton, or anything else.

Mr. McCARRAN. If someone else had a "preview" as to silver, or were advised as to what would be tomorrow's price on silver based upon the position of the Government, or what would be the price of gold based upon the position of the Government, I think it would be wrong. Such a thing has been condemned.

Mr. TOWNSEND and Mr. BANKHEAD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Delaware.

Mr. TOWNSEND. Mr. President, I think the able Senator was present when the Senator from Colorado [Mr. ADAMS] asked Mr. Jones a question——

Mr. BARKLEY. Evidently I was not present at that time. I have no recollection of it.

Mr. TOWNSEND. Mr. Jones' statement to the Senator from Colorado was that he would be ashamed to state what the losses would be.

Mr. BARKLEY. Oh, yes; I know. The Senator from Delaware and the newspapers played up that statement. Mr. Jones was talking about loans to small business.

Mr. TOWNSEND. All right. They are loans.

Mr. BARKLEY. Although he said he might be ashamed to undertake to predict the losses which would be incurred in connection with any further loans to small business, about which he was talking, the Senator will agree that, on the whole and throughout its entire operations, the Reconstruction Finance Corporation now has a profit to its credit of about $250,000,000 or $260,000,000.

Mr. TOWNSEND. I think the Reconstruction Finance Corporation is one of the best-managed institutions we have; but Mr. Jones said he would be ashamed to state what the losses would be from loans to small business. That statement was a part of the record.

Mr. BARKLEY. It was a more or less casual remark made in reply to a question.

Mr. TOWNSEND. It was in reply to a question by the Senator from Colorado [Mr. ADAMS].

Mr. BARKLEY. Mr. Jones was first asked whether or not he had had losses in connection with small-business loans, and he said he had. I think the Senator from Colorado asked him how much the losses were.

Mr. TOWNSEND. He asked him if they would run as high as 10 to 20 percent.

Mr. BARKLEY. Mr. Jones said he would be ashamed to say; and the newspaper articles played up the word "ashamed" and emphasized it, but said nothing about all the rest of the testimony which Mr. Jones gave.

Mr. BANKHEAD and Mr. BYRNES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Alabama.

Mr. BANKHEAD. I think it would be extremely unfortunate to have an erroneous and inaccurate record made on this occasion on the subject of the Reconstruction Finance Corporation trading in gold. I have been a member of the Banking and Currency Committee of the Senate practically all the time since the Reconstruction Finance Corporation was organized. I was a member of the subcommittee as well as of the full committee during the discussion of the gold devaluation bill, and during the course of the hearings on that question the whole history of gold from the time of the passage of the gold bill was gone into at that hearing. I assert, Mr. President, that the Reconstruction Finance Corporation did not at any time engage in any trading, speculation, purchase, or sale of gold following the gold devaluation.

The Senator from Nevada is evidently misinformed. I now call on any Member of the Senate who is under the belief, or who understands that the Reconstruction Finance Corporation at any time engaged in gold speculation, to produce the evidence.

Mr. BARKLEY. I thank the Senator for the positiveness of his statement. I had never heard of such a thing. I think I have been present in the committee whenever Mr. Jones and others connected with the Reconstruction Finance Corporation have testified on any legislation affecting the Reconstruction Finance Corporation; and I never heard of any such transaction until now. Certainly I think that if there had been any such activity on the part of the Reconstruction Finance Corporation in speculating in gold we should have heard something about it.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. With reference to the statement of the Senator from Delaware, I recall the statement of Mr. Jones; and I know that thereafter it received considerable publicity in the press. I took the trouble to investigate the subject. In fairness to the Reconstruction Finance Corporation we should know that what Mr. Jones then stated was that he estimated certain losses in connection with so-called business loans. The total estimated losses to date of the Reconstruction Finance Corporation are $125,000,000. When we investigate that subject we find that in some instances in which the Reconstruction Finance Corporation has made loans to businesses it has taken title to the plants. What the losses finally will be no one can tell. However, such loans have been estimated as losses to date. They have been estimated against the Reconstruction Finance Corporation. However, at the same time the Reconstruction Finance Corporation has a surplus of $250,000,000. Therefore, if it should finally lose every dollar it has included in the estimated loss, it would be left with a surplus of $125,000,000.

The Reconstruction Finance Corporation has paid the Treasury 3 percent interest, whereas the average interest paid by the Treasury during the borrowing activities of the Reconstruction Finance Corporation has been only 1½ percent. The Reconstruction Finance Corporation has paid in interest to the Treasury more than $200,000,000. Therefore, when we analyze the statement we find, in fairness to the Reconstruction Finance Corporation, that it has a surplus of $250,000,000, which is $125,000,000 more than all the losses which Mr. Jones stated before our committee were included in his estimate.

Mr. BARKLEY. And the $125,000,000 which has been chalked up to possible losses included losses to which Mr. Jones referred—as I thought casually in the committee—as some of those with respect to which he would be ashamed of the amount.

Mr. BYRNES. Yes. For example, the loss in Chicago in the Dawes bank, about which we heard so much talk, had been carried as an estimated loss in a large amount, whereas today it is recognized that the total loss anyone could estimate in that loan is $5,000,000 instead of the $85,000,000 which was estimated at one time.

Mr. BARKLEY. In that connection I wish to say that in considering any institution, whether it be the Reconstruction Finance Corporation, a building and loan association, or a bank, we do not judge the efficiency of its operations by some individual loss it may sustain, or by the aggregate of its losses. All lending institutions have losses. They lend money to people from whom they cannot collect entirely. When we consider the success or failure of any lending institution we take its operations in the aggregate, and not individually. We cannot judge them otherwise. All such losses, whether by the Home Owners' Loan Corporation or the Federal Housing Administration—which do not make loans, but guarantees—or the Reconstruction Finance Corporation, or any of them, in connection with which the Government has made direct loans, are losses necessarily incident to such activities. When Congress passed the law authorizing the loans we knew in advance that we were assuming some risk of loss, and that we might not be able to collect everything back that the Government had loaned. However, in the emergency which existed at the time it was felt that the Government could afford to take the risk and assume the possibility of losses in years to come.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. So far as the Reconstruction Finance Corporation is concerned, if it were liquidated today it could return to the Treasury the $500,000,000 capital stock and have a surplus of $125,000,000.

Mr. BARKLEY. That is correct.

Mr. BYRNES. In addition it would have any amounts which might be recovered out of the $125,000,000 now estimated as loss.

Mr. BARKLEY. That is correct. I was just about to suggest that not only is there a certain surplus of $125,000,000,

but undoubtedly a substantial amount can be recovered out of the estimated loss of $125,000,000.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield. All this is leading me away from the trend of my talk; but I am glad to engage in debate.

Mr. McCARRAN. I wish to address a question, through the able leader, to the able Senator from Alabama. Is it contended that the Reconstruction Finance Corporation did not receive a benefit from the devaluation of the dollar?

Mr. BANKHEAD. I made no statement on that subject. The only statement I made was that the Reconstruction Finance Corporation did not buy or sell gold and thereby profit as a result of the devaluation of the dollar. I made no statement, and intended to make none, about the result upon the assets of the Reconstruction Finance Corporation by virtue of the change in the value of the dollar.

Mr. McCARRAN. If I may use a very homely expression, I am very glad to have the Senator straighten himself out on that question.

Mr. BANKHEAD. I did not straighten myself out. I straightened out the statement of the Senator from Nevada.

Mr. McCARRAN. No; I have been straight all the time. The Senator was misinformed, but he has now been informed.

Mr. BANKHEAD. Mr. President, the Senator left the impression on me, and I think he did on others here, that he asserted that the R. F. C. made a profit by buying gold and reselling it.

Mr. McCARRAN. Oh, no! I suppose the R. F. C. never bought anything. I hope it did not, because it would have violated the law if it did; but it took advantage of the devaluation of the dollar and gained that advantage through the Federal Reserve banks turning over to the R. F. C. a certain proportion of the devaluation profits.

Mr. WAGNER. Oh, no!

Mr. McCARRAN. Oh, yes!

Mr. BARKLEY. I got the same impression that the Senator from Alabama got from the Senator's question a while ago.

Mr. McCARRAN. My question was entirely correct. My question was based on facts, and I would not care whether the Senator from New York or anyone else contradicted it. The facts are the same, that the R. F. C. gained a paper profit by the devaluation of the dollar. I wonder if some Senator will deny that statement.

Mr. BARKLEY. Is the R. F. C. the only institution in this country that did?

Mr. McCARRAN. No; wait a minute. Do not hedge around the corner.

Mr. BARKLEY. I am not hedging around the corner.

Mr. McCARRAN. Answer the question, if ycu please. Did the R. F. C. gain a benefit by way of a paper profit from the devaluation of the dollar?

Mr. BARKLEY. The Senator has brought up that matter. I am not able to tell whether that is the case or not.

Mr. McCARRAN. I am sorry. I thought the able leader was able to tell.

Mr. BARKLEY. No; I do not know just what the Senator from Nevada has in mind. Was it in the automatic increase in the value of some securities they held?

Mr. McCARRAN. No; not any security at all.

Mr. BARKLEY. In what way is the Senator stating that the R. F. C., not by the purchase of anything and the sale of it at a higher price, but simply by the automatic act of the devaluation of the dollar, had a paper profit on any asset that it held?

Mr. McCARRAN. It gained that profit through the Federal Reserve bank turning over to the R. F. C. a division of its profits. Will the able Senator from New York deny that statement?

Mr. WAGNER. I deny it so far as my information goes, if the Senator will yield. I have been present, of course, at all of our meetings, having had to preside, and particularly at all of our investigations of the activities of the R. F. C., and I never heard of the R. F. C. making any profit as a result of a transaction with reference to gold.

What the Senator may have in mind is that part of the profits from devaluation, in addition to that which went into the stabilization fund were assigned to the Federal Reserve banks to permit them to make industrial loans; but out of the one-hundred-and-thirty-odd-million dollars so allocated, I understand the record shows that only about $20,000,000 has actually been loaned to industry. But, so far as I recall, unless the Senator from California [Mr. DOWNEY] has other information, there has never been any evidence before the Committee on Banking and Currency that any part of that fund was ever transferred over to the R. F. C. for their use for the purpose of making loans. So far as I know, their money has come entirely from the issuance of their securities, debentures, and notes.

Mr. McCARRAN. I have not the floor, but the able junior Senator from California has propounded a question, and I should be glad to have the leader answer it.

Mr. BARKLEY. I did not hear the Senator's question.

Mr. DOWNEY. Mr. President, is it not a fact that the total profits from the increased value of gold were about $2,800,000,000?

Mr. WAGNER. That is correct.

Mr. DOWNEY. And of that $2,800,000,000, $2,000,000,000 went into the stabilization fund; and, while I have not the exact figures in my mind, I am very sure that a portion of the $800,000,000 was used as capital for some of the lending agencies of the R. F. C.

Mr. WAGNER. I think the Senator upon investigation will find that he is in error, or I am. I never have heard of that. I know that there is now $500,000,000 of free gold, and of the $2,800,000,000, $139,000,000, I think, was transferred over to the Federal Reserve Banks to be utilized for the purpose of making loans to industry, and very little of it has been used for that purpose.

Mr. McCARRAN. That is, $139,000,000 of the $2,800,000,000?

Mr. WAGNER. Yes; and the Treasury now has some $500,000,000 of free gold.

Mr. McCARRAN. And the balance went to the R. F. C. Am I right?

Mr. WAGNER. No; all of the profits from devaluation not a part of the stabilization fund remained entirely in the control of the Treasury.

Mr. McCARRAN. I do not want my question to be obscured.

Mr. WAGNER. The R. F. C. has none of that fund. I am very positive of that.

Mr. McCARRAN. How much of that fund did the R. F. C. gain the benefit of?

Mr. WAGNER. I do not know of any that it gained any direct benefit of, because it was not transferred to the R. F. C. I suppose the assets of the R. F. C. gained whatever benefit all of us gained who owned any property as a result of the increased prices and values which came as a result of the devaluation of the dollar. We had a long discussion before as to the effect of devaluation upon commodity prices in this country; and the only benefit that I know the R. F. C. would have gained is that its assets increased just as the assets all over the country increased.

Mr. McCARRAN. Let me make this statement now, baldly, and then let the able leader refute it when he gets the facts. I say that the R. F. C. did gain by reason of the devaluation of the dollar.

Mr. WAGNER. How?

Mr. McCARRAN. I say that its gain was due to the fact that it knew the devaluation of the dollar was to take place.

Mr. BARKLEY. How did it take advantage of it?

Mr. McCARRAN. And it took advantage of it by deriving benefits by reason of the devaluation.

Mr. BARKLEY. The Senator states that the R. F. C. bought gold before the devaluation, and then sold it at a profit after the devaluation?

Mr. McCARRAN. Either directly or indirectly.

Mr. BARKLEY. How would it have done it indirectly?

Mr. McCARRAN. I cannot answer.

Mr. BARKLEY. How would it have done it at all under the law?

Mr. McCARRAN. I cannot answer that question, because I do not think it could have done it under the law.

Mr. BARKLEY. Of the profit growing out of the devaluation of the dollar, amounting to $2,800,000,000, $2,000,000,000 went into the stabilization fund, and part went to the Federal Reserve banks. In providing money for the Reconstruction Finance Corporation to make loans, or as a part of its capital stock, which originally was to be called when needed, as I recall now, it may be that some of this profit made by the Treasury was allocated to the Reconstruction Finance Corporation, but the only profit the Reconstruction Finance Corporation could have made out of that was to loan the money to business at a higher rate than it paid the Treasury for the money. There was no automatic profit, and I do not understand how there could have been any automatic profit to the Reconstruction Finance Corporation growing out of the devaluation of the dollar.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield to the Senator.

Mr. BYRNES. I only wish to say that while this discussion has been going on I have been looking at the financial statement of the R. F. C. from February 1932 until a few months ago. If the R. F. C. made any money out of buying gold and selling it, it certainly was not entered in their financial statement. I have taken the trouble to ask Mr. Schram over the telephone, and he said that he had never heard of any such transaction. I then told him that I wanted him to inquire, because he had not been with the Reconstruction Finance Corporation from 1932, and he has stated to me that he will do so and will advise me what he ascertains, and I will give the Senator the information when I receive it.

Mr. McCARRAN. If the Senator from Kentucky will yield just one moment more, I should not expect that the R. F. C. would violate the law and admit it; neither should I expect them to violate the law at all; but I do say that out of the devaluation of the dollar, due to the acts of Congress, they gained a paper profit which is reflected in their statements. I wonder if the able Senator from South Carolina will deny that statement.

Mr. BYRNES. No; I only state that I understood the Senator from Nevada to say that the R. F. C., being in possession of——

Mr. McCARRAN. I am not asking the Senator from South Carolina for any statement. Will he deny my statement made on the floor?

Mr. BYRNES. I evidently did not know what the Senator's statement was.

Mr. McCARRAN. I will repeat it.

Mr. BYRNES. The RECORD will show it.

Mr. McCARRAN. Would the Senator like to have me repeat it?

Mr. BYRNES. No; I heard the Senator.

Mr. McCARRAN. I did not think he would.

Mr. BYRNES. The RECORD will show the statement. If I am mistaken about it, I have wasted some time, and I will apologize to the Senator; but I understood the Senator to say that the R. F. C., knowing that gold was to be devalued, had some transactions out of which they made money. That was all I was interested in, because I did not see it in this statement; and if the R. F. C. issued a financial statement not showing a profit which had been made, I desired to know it. I was advised that there was no profit at that time, so far as the present chairman knows.

Mr. McCARRAN. Did the R. F. C. advise the able Senator from South Carolina that they made no profit out of the devaluation of the gold dollar?

Mr. BYRNES. That was what I asked, and the present chairman said he had no information to that effect, had never heard of it before, but that he is going to make an inquiry, since, if that is true, I want to advise the Senator from Nevada.

Mr. McCARRAN. Let me say to the Senator, if the Senator from Kentucky will yield, that if the R. F. C. did not make a profit, then it is entirely different from many other concerns which did make a profit out of the devaluation of the dollar.

Mr. BYRNES. I did not understand that was the contention, that like everyone else they made some money. It may be so.

Mr. TOWNSEND. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TOWNSEND. I wish to say to the able Senator from Kentucky that there was no desire on my part to criticize the R. F. C. I was trying to quote exactly what was said. I read from the record. We were talking about small loans, and I asked:

> Did not the survey that the Commerce Department made and which was placed in the record of the Mead hearings show that you had made loans to all who were in any way eligible?
>
> Mr. JONES. We think we have. We are not infallible. We make plenty of mistakes and plenty of bad loans. We will have a very substantial percentage of loss on our business loans.
>
> Senator GLASS. A practical answer to Senator BARKLEY's question is already in the record in the report of these experts from the Department of Commerce who examined the rejected loan applications.
>
> Mr. JONES. That is a very good answer; yes.
>
> Senator ADAMS. The liberality of the policy is going to show up in the losses you take?
>
> Mr. JONES. Yes. We are going to have plenty of losses.

What he actually said—and I am going to ask the chairman who changed it—was, "I am ashamed to tell you what the losses will be." I ask the chairman of the committee who was authorized to change the record.

Mr. BARKLEY. Mr. President——

Mr. TOBEY. Mr. President, will the Senator yield to me?

Mr. BARKLEY. Just a moment.

Mr. TOWNSEND. I want to know exactly what was said.

Mr. BARKLEY. I was present at the time when Mr. Jones said he was ashamed to undertake to estimate how much the losses would be.

Mr. TOWNSEND. Who authorized——

Mr. BARKLEY. Just a moment. I still say that that was a casual remark made by Mr. Jones, on the spur of the moment, in response to a question. All witnesses before the committee have an opportunity to revise their remarks before they are printed, and no doubt Mr. Jones took advantage of that courtesy, and when the corrected hearings were printed, they showed that he said he was unable to estimate the number of losses, but that there would be plenty.

Mr. TOWNSEND. The Senator is mistaken. The hearings were printed with that statement in them, and they have been changed since.

Mr. BARKLEY. One copy of the hearings was printed, in which Mr. Jones evidently exercised his right to correct what he said, and I will read that to the Senator.

Mr. TOWNSEND. I have read it, "We are going to have plenty of losses," taking out the statement that he was ashamed to say what the losses would be.

Mr. BARKLEY. Originally the Senator emphasized the fact that he said he was ashamed to say how many there would be, but that there would be plenty.

Mr. TOWNSEND. That is exactly what I stated.

Mr. BARKLEY. The Senator was reading from the original testimony, I suppose, which was used by the press in publicizing what Mr. Jones stated. No one denies now, and no one is attempting to deny, that there will be considerable losses in the small-business loans. We are not denying that.

Mr. TOWNSEND. I am sure of it.

Mr. BARKLEY. I imagine that if the Senator, who is an experienced businessman, and a banker, I believe, were to go over the records of any active bank in the United States, he would find that there have been a good many losses on individual loans.

Mr. TOWNSEND. Exactly so; and there have been losses in the Reconstruction Finance Corporation, as Mr. Jones stated.

Mr. BARKLEY. We do not dispute the fact that there are losses.

Mr. TOWNSEND. All I was attempting to do was to state exactly what Mr. Jones said. I was not criticizing.

Mr. BARKLEY. What I contend is that we must judge this organization by its entire record and not by the individual losses which have occurred here and there.

Mr. TAFT. Mr. President——

Mr. BARKLEY. I was led astray by all these questions——

Mr. TAFT. I will bring the Senator back.

Mr. BARKLEY. I really wanted to complete the basis of my remarks in order to get down to the bill. But I yield to the Senator from Ohio.

Mr. TAFT. The Senator advanced the argument, as I understood it, that we need not fear the Government debt, because the total debt is not any larger, and he says that the debt now is only a little larger than in 1926. The private debt has apparently decreased by about $5,000,000,000, while the Government debt has more than doubled, from nineteen billion to forty billion. I do not understand the relevancy of the statement as to the private debt. It seems to me that what we are concerned about is raising taxes to pay the interest on the Government debt. Private debt largely pays for itself out of the earnings of the business which is covered by the debt. I do not understand the relevancy of these total debt figures in answer to criticism of the size of the Government debt.

Mr. BARKLEY. The Senator is an able Senator and an able lawyer, and he is a student of finance and public matters. What I stated was that the total assets of all the people of the United States stood behind the total debt, whether it is a private debt or a public debt. Of course, there is one difference between private and public debt, that the one who owes the private debt cannot levy taxes in order to reimburse himself for the money loaned, while the Government can do so.

Mr. TAFT. There is also the difference that the Government cannot earn any money on any of its debt, and the private borrowers can earn money.

Mr. BARKLEY. That is true, but while the Senator is talking about interest, I will say to him that the interest charges for carrying the public debt of the United States, which is double what it was in 1929 and 1930, are less than they were in 1932.

Mr. TAFT. But it is also true that if there were the slightest return to prosperity those interest charges would mount very rapidly. We cannot hope to have interest at 1 percent for any extended time.

Mr. BARKLEY. They might mount on future borrowings, but they would not mount on the existing obligations, unless they were refunded at their maturity.

Mr. TAFT. Is it not true that about two-thirds of this debt is short-term debt, payable practically within 5 years?

Mr. BARKLEY. No; there was a limitation of $30,000,000,000, which was increased recently to $40,000,000,000, I believe.

Mr. TAFT. Because we have reached the $30,000,000,000 limit on short-term debt, which supports the statement I made.

Mr. BARKLEY. The long-term obligations, when they are completed, will absorb probably 80 or 90 percent of the total debt.

Mr. TAFT. The difficulty with the Government debt is that it is necessary to go out and raise taxes to pay it, and we have reached the point where no one, not even the able Senator from Kentucky, can devise a system, which will anything like raise the taxes to pay the present expenses of the Government, including anything on the principal of the debt or on the interest.

Mr. BARKLEY. We have made no effort in the last few years to change the tax structure in order to raise the taxes to pay the debt, or even to pay the interest on it, because it has not been thought necessary to revise the tax structure in order to do that.

Mr. TAFT. How long does the Senator think we can increase our regular debt at the rate of $4,000,000,000 each year, and our indirect debt at a rate of one or two billion more, and not reach the danger zone?

Mr. BARKLEY. I think there is a limit beyond which it would be unwise to go.

Mr. TAFT. Will the Senator state what that limit is?

Mr. BARKLEY. I do not think the limit has as yet been reached. The limit will depend considerably on the annual income of the American people, and their ability to pay taxes and to retire by amortization the debt which is created by the Government of the United States.

Mr. TAFT. It will depend also on the courage of the Congress to levy the taxes which the people may be asked to pay.

Mr. BARKLEY. Of course, the courage of Congress is always an element in any legislation which in any way inflicts on the people what they might regard as a burden, even a light one, and we have to assume that Congress is not irresponsible, that whatever the exigencies of the situation may require, Congress will do the thing necessary. I am not willing to say that Congress will not have the courage, when the time comes, to levy sufficient taxes to retire the debt and to pay the interest on the debt.

Mr. BYRNES. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. Reverting to the question asked by the Senator from Nevada—and I regret that I do not now see him on the floor—the Chairman of the R. F. C. advises me that upon inquiry he learns that before his connection with the R. F. C. the R. F. C. did have a transaction with reference to gold, issuing non-interest-bearing notes, taking gold for the notes, and that the gold was turned over to the Treasury at the net cost to the R. F. C. and without any profit at all to the R. F. C.

Mr. BARKLEY. I thank the Senator from South Carolina for that information.

Mr. MEAD. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MEAD. Merely from memory and without recourse to the records, it occurs to me that the profit from the devaluation was divided up as follows: Two billion of it is in the stabilization fund; $500,000,000 is free gold; a certain sum of it was used to retire Panama Canal bonds; another amount was used to call in national-bank notes, and that left $139,000,000, which was turned over to the Federal Reserve Board for industrial loans. Therefore, in the record as I see it, no allocation of profit from that device was turned over to the R. F. C.

Mr. BARKLEY. I thank both Senators. I had never heard of any profit made by the R. F. C. out of the devaluation of the gold dollar, and for that reason I did not believe there had been any such profit.

Mr. President, I started out to draw a general picture of conditions which I though were necessary for Congress to deal with and upon which the pending legislation is based. I had hoped that before we adjourned or recessed for the day I might undertake to show how the bill in some measure attempts to deal with and respond to that situation. But it is evident that I cannot do so at this hour, and I shall move that the Senate recess until tomorrow, and I hope that tomorrow I may very briefly outline the provisions of the bill.

ELLEN HALE WILSON

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 152, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 152) submitted by Mr. BAILEY on June 26, 1939, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Ellen Hale Wilson, widow of Peter M. Wilson, late a clerk in the

office of the Secretary of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RAILROAD DEBT ADJUSTMENT AND MODIFICATION—CONFERENCE REPORT

Mr. WHEELER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 21 and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 12, 13, 14, 15, 16, 17, 18, 19, 23, 28, 30, 32, 33, 34, 35, 36, and 37, and agree to the same.

Amendments numbered 6, 7, 8, 9, 10, and 11: That the House recede from its disagreement to the amendments of the Senate numbered 6, 7, 8, 9, 10, and 11 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendments, strike out all matter in lines 23 to 25, inclusive, on page 3 of the House bill, strike out all matter in lines 1 to 13, inclusive, on page 4 of the House bill, and insert in lieu thereof the following:

"(1) Prepared a plan of adjustment and secured assurances satisfactory to the Commission of the acceptance of such plan from creditors holding at least 25 per centum of the aggregate amount of all claims affected by said plan of adjustment (including all such affected claims against said corporation, its parents and subsidiaries), and

"(2) Thereafter obtained an order of the Commission (but not of a division thereof), under section 20a of the Interstate Commerce Act authorizing the issuance or modification of securities as proposed by such plan of adjustment (other than securities held by, or to be issued to Reconstruction Finance Corporation), such order of the Commission to include also specific findings:

"(a) That such corporation is not in need of financial reorganization of the character provided for under section 77 of this act;

"(b) That such corporation's inability to meet its debts matured or about to mature is reasonably expected to be temporary only; and

"(c) That such plan of adjustment, after due consideration of the probable prospective earnings of the property in the light of its earnings experience and of such changes as may reasonably be expected—

"(i) is in the public interest and in the best interests of each class of creditors and stockholders;

"(ii) is feasible, financially advisable, and not likely to be followed by the insolvency of said corporation, or by need of financial reorganization or adjustment;

"(iii) does not provide for fixed charges (of whatsoever nature including fixed charges on debt, amortization of discount on debt, and rent for leased roads) in an amount in excess of what will be adequately covered by the probable earnings available for the payment thereof;

"(iv) leaves adequate means for such future financing as may be requisite;

"(v) is consistent with adequate maintenance of the property; and

"(vi) is consistent with the proper performance by such railroad corporation of service to the public as a common carrier, will not impair its ability to perform such service:

Provided, That in making the foregoing specific findings the Commission shall scrutinize the facts independently of the extent of acceptances of such plan and of any lack of opposition thereto: *Provided further*, That an order of the Commission (or of a division thereof) under section 20a of the Interstate Commerce Act, made prior to April 1, 1939, authorizing the issuance or modification of securities as proposed by a plan of adjustment (other than securities held by, or to be issued to, Reconstruction Finance Corporation), shall be effective for the purpose of this subparagraph (2) of the first sentence of section 710, notwithstanding failure to include therein the foregoing specific findings, if such order did include the specific findings that such proposed issuance or modification of securities is compatible with the public interest, is consistent with the proper performance by the railroad corporation of service to the public as a common carrier, and will not impair its ability to perform such service, and".

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"If the court shall propose to modify the plan, then: (a) if such modification substantially alters the basis for the specific findings included in the order made by the Commission under section 20a of the Interstate Commerce Act, the plan as so proposed to be modified shall be resubmitted to the Commission and shall not be finally approved by the court until the Commission (but not a division thereof) has authorized the issuance or modification of securities as proposed by the plan as so modified (other than securities held by, or to be issued to, Reconstruction Finance Corporation) making the findings required by clause (c) of subparagraph (2) of the first sentence of section 710, even in a case where the original order of the Commission under said section 20a was made prior to April 1, 1939; and (b) if such modification substantially or adversely affects the interests of any class or classes of creditors, such plan shall be resubmitted, in such manner as the court may direct, to those creditors so affected by such modification and shall not be finally approved until after (1) a hearing on such modification, to be held within such reasonable time as the court may fix, at which hearing any person in interest may object to such modification, and (2) a reasonable opportunity (within a period to be fixed by the court), following such hearing, within which such affected creditors who have assented to the plan may withdraw or cancel their assents to the plan, and failure by any such creditor to withdraw or cancel an assent within such period shall constitute an acceptance by such assenting creditor of the plan as so modified. After such authorization and finding by the Commission, where required hereby, and after such hearing and opportunity to withdraw or cancel, where required hereby, the court may make the proposed modification, and as provided in section 725 finally approve and confirm the plan as so modified."

And the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by such amendment insert the following: "which does not provide for the payment thereof shall be approved by the court except upon the acceptance of a lesser amount or of a postponement by the Secretary of the Treasury certified to the courts: *Provided*, That if the Secretary of the Treasury shall fail to accept or reject such lesser amount or such postponement for more than sixty days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendment and insert in line 1 on page 9 of the House bill after the word "or" and before the word "as" the following: ", if modified, then"; and the Senate agree to the same.

Amendments numbered 25, 26, and 27: That the House recede from its disagreement to the amendments of the Senate numbered 25, 26, and 27 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendments, strike out all matter in lines 6 through 12 inclusive on page 9 of the House bill, and insert in lieu thereof the following:

"(3) That the plan meets the requirements of clause (c), and the petitioner meets the requirements of clauses (a) and (b) of subparagraph (2) of the first sentence of section 710, and that the plan is fair and equitable as an adjustment, affords due recognition to the rights of each class of creditors and stockholders and fair consideration to each class thereof adversely affected, and will conform to the law of the land regarding the participation of the various classes of creditors and stockholders: *Provided*, That in making the findings required by this clause (3), the court shall scrutinize the facts independently of the extent of acceptances of such plan, and of any lack of opposition thereto, and of the fact that the Commission, under section 20a of the Interstate Commerce Act, has authorized the issuance or modification of securities as proposed by such plan, and of the fact that the Commission has made such or similar findings;"

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment, insert the following:

"(6) That, after hearings for the purpose, all amounts or considerations, directly or indirectly paid or to be paid by or for the petitioner for expenses, fees, reimbursement or compensation of any character whatsoever incurred in connection with the proceeding and plan, or preliminary thereto or in aid thereof, together with all the facts and circumstances relating to the incurring thereof, have been fully disclosed to the Court so far as such amounts or considerations can be ascertained at the time of such hearings, that all such amounts or consideration are fair and reasonable, and to the extent that any such amounts or considerations are not then ascertainable, the same are to be so disclosed to the Court when ascertained, and are to be subject to approval by the special court as fair and reasonable, and except with such approval no amounts or considerations covered by this clause (6) shall be paid."

And the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by such amendment insert the following:

"No plan shall be approved under this chapter unless the special court finds that with respect to the continuation of, or any change in, the voting rights in the petitioner, control of the petitioner,

and the identity of, and the power and manner of selection of the persons who are to be directors, officers, or voting trustees, if any, upon the consummation of the plan and their respective successors, the plan makes full disclosure, is adequate, equitable, in the best interests of creditors and stockholders of each class, and consistent with public policy."

And the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by said amendment insert the following:

"ARTICLE VII—INTERSTATE COMMERCE COMMISSION

"SEC. 740. If, in any application filed with the Commission pursuant to section 20a of the Interstate Commerce Act for authority to issue or modify securities, the applicant shall allege that the purpose in making such application is to enable it to file a petition under the provisions of this chapter, the Commission shall take final action on such application as promptly as possible, and in any event within one hundred and twenty days after the filing of such application, unless the Commission finds that a longer time, not exceeding sixty days is needed in the public interest."

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40 and agree to the same, with an amendment as follows: In line 11 on page 14 of the House bill, after the word "made", insert the following: "by any person affected by the plan who deems himself aggrieved"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by said amendment, strike out in line 22 on page 14 of the House bill the words "Saving Clause", and insert in lieu thereof the following: "IX—Filing record with Commission"; and the Senate agree to the same.

Amendments numbered 42 and 43: That the House recede from its disagreement to the amendments of the Senate numbered 42 and 43 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendments, strike out all matter in lines 23 through 25 inclusive on page 14 of the House bill, strike out all matter in lines 1 and 2 on page 15 of the House bill, and insert in lieu thereof the following:

"SEC. 750. The clerk of the court in which any proceedings under this chapter are pending, shall forthwith transmit to the Interstate Commerce Commission copies of all pleadings, petitions, motions, applications, orders, judgments, decrees and other papers in such proceedings filed with the court or entered therein, including copies of any transcripts of testimony, hearings or other proceedings that may be transcribed and filed in such proceedings together with copies of all exhibits, except to the extent that the court finds that compliance with this section would be impracticable."

And the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by such amendment insert the following:

"ARTICLE X—TERMINATION OF JURISDICTION

"SEC. 755. The jurisdiction conferred upon any court by this chapter shall not be exercised by such court after July 31, 1940, except in respect of any proceeding initiated by filing a petition under section 710 hereof on or before July 31, 1940."

And the Senate agree to the same.

B. K. WHEELER,
WARREN R. AUSTIN,
H. T. BONE,
CHAS. W. TOBEY,
HARRY S. TRUMAN,
Managers on the part of the Senate.

WALTER CHANDLER,
EARL C. MICHENER,
CHARLES F. MCLAUGHLIN,
Managers on the part of the House.

Mr. WHEELER. The conferees have met and concluded their work in regard to this bill. I move that the Senate proceed to the consideration of the conference report.

The motion was agreed to.

The report was considered and agreed to.

PROMOTION OF NAUTICAL EDUCATION

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BAILEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SHEPPARD, Mr. CLARK of Missouri, Mr. BAILEY, Mr. WHITE, and Mr. BARBOUR conferees on the part of the Senate.

AMENDMENT OF MERCHANT MARINE AND SHIPPING ACTS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BAILEY. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SHEPPARD, Mr. CLARK of Missouri, Mr. BAILEY, Mr. WHITE, and Mr. BARBOUR conferees on the part of the Senate.

EXPRESSION OF APPRECIATION BY CONGRESS TO AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 10, which was read as follows:

Whereas this year marks the twenty-fifth anniversary of the organization of the American Association of State Highway Officials, which is composed of officials of the highway departments of all the States, Hawaii, Puerto Rico, the District of Columbia, and the United States Bureau of Public Roads; and

Whereas said association through its members represents the State and Federal governmental agencies which have constructed and maintained a vast system of highways throughout the Nation, which highways are becoming increasingly important in local and interstate transportation; and

Whereas said association has announced that it is planning to celebrate in a fitting manner this quarter century of road building at a national meeting to be held during the month of October 1939 in the cities of Washington, D. C., and Richmond, Va.: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the splendid results which have been accomplished in the vital development of our national highway transportation system merit an expression of public appreciation by the Congress.

SEC. 2. A special committee of the Congress is hereby established, to consist of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, to convey to the members of the American Association of State Highway Officials at the national meeting of said association to be held in the cities of Washington, D. C., and Richmond, Va., during the month of October 1939 an expression of appreciation by the Congress of the praiseworthy accomplishments realized under their leadership and direction in the field of highway development.

Mr. MINTON. I move that the Senate concur in the concurrent resolution of the House.

The motion was agreed to.

THE SO-CALLED CIVIL LIBERTIES COMMITTEE

Mr. SCHWELLENBACH. Mr. President, last week in discussing the resolution with respect to the so-called Civil Liberties Committee, which resolution is in the hands of the Committee to Audit and Control the Contingent Expenses of the Senate, the Senator from South Carolina indicated that the increased appropriation made to the Department of Justice might be used to provide in part for the needs of the committee. Attorney General Murphy in a press conference gave out a statement of his attitude toward that particular question, clearly indicating that he felt the necessity for the continuation of the work of the Civil Liberties Committee, and that he did not feel that the Department of Justice alone was in a position to handle the matter.

I ask unanimous consent to have printed as a part of my remarks a newspaper dispatch from the St. Louis Post-Dispatch outlining the position of the Attorney General in reference to the matter, and also an editorial in reference thereto, published in the same newspaper, under date of July 21, 1939.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the St. Louis Post-Dispatch]

MURPHY FAVORS NEW FUND FOR LA FOLLETTE—NOTES "EDUCATIONAL VALUE" OF EXPOSURES OF CIVIL LIBERTIES COMMITTEE

WASHINGTON, July 20.—Pointing out "the great educational value" of the exposures of the Senate Civil Liberties Committee during the past 3 years, Attorney General Murphy told reporters today that he would like to see the committee given additional funds so it could cooperate with the Department of Justice.

Murphy's statement was significant because Chairman BYRNES, of the Senate Audit and Control Committee, Monday opposed an additional grant to the La Follette committee, asserting that the Department of Justice had been given a $50,000 appropriation for the current fiscal year to investigate and prosecute infringements of the constitutional guarantees of civil liberty.

Pending before the Senate is the bill of Senators SCHWELLENBACH, of Washington, and DOWNEY, of California, both Democrats, to appropriate $100,000 for the continuation of the La Follette committee.

"COOPERATION GREAT HELP"

Murphy said that he would not be able to do as much with the $50,000 appropriation as he would like to do and that it would be a very great help to him to have the cooperation of the La Follette committee. He added that he had talked with several Senators about the work of the La Follette committee and that he would be glad to give the Audit and Control Committee his views if the proper procedure for this could be found.

"There is no conflict," he said, "between the work of the La Follette committee and the Department of Justice, and as I see it, the committee can be helpful to us and other public officials. I know that as Governor of Michigan I found the La Follette reports very significant, especially the disclosure that businessmen had spent more than $2,000,000 for private detectives and labor spies.

"During the automobile strike I took a copy of its record with me to a conference of the leaders of that industry and asked them if the disclosures were true. They said that the practice of hiring private detectives and labor spies was bad and that it had been abandoned. That was one of the results of the La Follette committee's investigation."

DIFFERENCE IN PROCEDURE

Murphy agreed that the Department and the committee proceeded along different lines. The Department, he explained, made its investigations to determine whether an existing Federal law had been violated, whereas the committee sought to determine whether additional laws were necessary in the public interest.

During the Senate debate yesterday SCHWELLENBACH and DOWNEY asserted that if the committee were given additional funds it could make a comprehensive investigation of the charges against the Associated Farmers of California for alleged violation of workers' civil rights. Murphy said today that his Department had made only a preliminary survey of the California situation, and that whether an investigation would be made would depend on whether the La Follette committee is given funds to carry out its proposed investigation in that State.

In reply to SCHWELLENBACH and DOWNEY, BYRNES asserted that when the La Follette committee was given $60,000 last year Chairman LA FOLLETTE told the Audit and Control Committee that it would be sufficient to complete the investigation. LA FOLLETTE answered that he had religiously lived up to his agreement by not asking for more funds, but added that a study of material already assembled by his committee would convince any person that the investigation should be continued.

[From the St. Louis Post-Dispatch]

MURPHY ENDORSES THE LA FOLLETTE COMMITTEE

The idea has grown in Congress and over the country that the La Follette committee may as well be discontinued, now that a special civil liberties union has been set up in the Department of Justice by Attorney General Murphy. With both at work, there would be duplication, it is asserted, and the Justice Department should be given full charge of the field.

These arguments are demolished by Attorney General Murphy, who went on record yesterday as favoring continuance of the committee. He praised its "great educational value," asserted there was no conflict between the two groups and declared the committee's cooperation would be very valuable to his department and other agencies.

The public hearings held by the committee have been highly useful in exposing bad conditions and correcting them. The Department of Justice, on the other hand, makes its reports to grand juries in secret session, and so is restricted from turning the spotlight on dark places, as the committee has done so frequently. The La Follette group is far from completing its work; indeed, it has not yet touched certain important subjects, such as the repressive labor practices said to exist among California farm workers. It should be assured of getting the necessary funds from Congress for continuing its labors, now that Mr. Murphy has given his significant endorsement.

WORKS PROGRESS ADMINISTRATION—RATES OF PAY, AND SO FORTH

Mr. McCARRAN. Mr. President, yesterday I offered an amendment to the spending and lending bill which is now before the Senate. I made reference to certain Executuve orders made pursuant to an investigation, and stated that the Works Progress Administration had promulgated regulations relating to hourly rates of pay, hours of work, payment for service and conduct of employment, all of which have to do with the question of the prevailing wage in the respective districts of this country. The amendment will come before the Senate as an adjunct to the bill that is now pending, and I propose to foster and advocate it as best I can, to the end that the workers of America who are now out of employment, and those who are threatened with being made a part of an agency to destroy the wage structure of the United States shall no longer be used for that purpose. In other words, if the labor organizations of the United States have during a half century built up a wage structure in America commensurate with the standard of living in the United States, then that structure should be maintained, and Congress should not be a party to a change that would tear it down.

I ask to have printed in the RECORD as part of my remarks, title 45, Public Welfare, Works Progress Administration—Administrative Order No. 67—made by the President, as published in the Federal Register of Wednesday, April 19, 1939.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

TITLE 45—PUBLIC WELFARE

WORKS PROGRESS ADMINISTRATION

[Administrative Order No. 67]

REGULATIONS RELATING TO HOURLY RATES OF PAY, HOURS OF WORK, PAYMENT FOR SERVICES AND CONDITIONS OF EMPLOYMENT

By virtue of and pursuant to the authority vested in the Works Progress Administration by the Emergency Relief Appropriation Act of 1938 approved June 21, 1938, I hereby prescribe the following rules and regulations:

PART I. DEFINITIONS

SECTION 1. The term "projects" as used herein shall mean projects or portions of projects financed in whole or in part from funds appropriated to the Works Progress Administration by the Emergency Relief Appropriation Act of 1938 or by Public Resolution No. 1, Seventy-sixth Congress, approved February 4, 1939, except projects financed in whole or in part from funds appropriated to the Works Progress Administration for the National Youth Administration.

SEC. 2. The term "project employees" as used herein shall mean all employees engaged upon a project and paid by means of a pay-roll payment from funds authorized for the operation of the project.

(a) The term "project employees paid on an hourly basis" as used herein shall mean persons, including supervisory employees engaged upon a project, who are paid on an hourly basis by means of pay-roll payments from funds authorized for the operation of such project.

(b) The term "project supervisory employees" as used herein shall mean persons in supervisory positions engaged upon a project who are paid on a monthly basis by means of pay-roll payments from funds authorized for the operation of such project.

PART II. RATES OF PAY

SEC. 3. The rates of pay for project employees paid on an hourly basis shall be not less than the prevailing rates of pay for work of a similar nature in the same locality. When, in the judgment of the State administrator, it is necessary to revise hourly rates heretofore established or to determine new hourly rates, such rates of pay shall be subject to the approval of the Federal Works Progress Administrator or his authorized representative prior to their being placed in effect.

SEC. 4. In accordance with the provisions of administrative authorities granted to him, it shall be the responsibility of the States Works Progress administrator to issue State administrator's orders, which prescribe the schedule of appropriate rates of pay, hours to be worked, and monthly earnings by occupational titles for each county in the State in which projects are being operated. Where necessary, supplemental schedules shall be issued as State administrator's orders covering special determinations for particular projects within the county or for subdivisions of the county.

PART III. HOURS OF WORK

SEC. 5. The normal hours of work for project employees paid on an hourly basis shall be that number of hours required to earn the authorized monthly wage at the established rate of pay. The maximum hours of work, however, shall not exceed 8 hours per day, 40 hours per week, and 140 hours per month, except when, in the judgment of the State Works Progress administrator or his authorized representative, the above limitations are not practical in the following cases:

(a) An emergency involving the public welfare or to protect work already done on the project.

(b) When efficient project operations permit rescheduling hours of work for the purpose of making up time lost due to the following circumstances: *Provided*, That in no case shall any project

employee be permitted to accumulate allowable lost time in excess of 50 percent of the employee's normal assigned hours per month.

(1) Temporary interruptions of projects beyond the control of the workers;

(2) Illness;

(3) Injuries sustained in the performance of duty;

(4) Military service;

(5) Exercise of voting privilege.

When making up time lost the maximum hours of work shall be 8 hours per day and 48 hours per week.

SEC. 6. The hours of work for project supervisory employees shall be established by the State administrator or his authorized representative in accordance with the requirements of the project to which the employee is assigned: *Provided*, That the minimum hours of work required shall be not less than 120 hours per pay-roll month. Deductions for voluntary time lost shall be made in accordance with section 10 of this order, without regard to the hours of work established pursuant to this section.

PART IV. MONTHLY EARNINGS AND PAYMENT FOR SERVICES

SEC. 7. The schedule of monthly earnings, as hereinafter established with adjustments heretofore effected as set forth in section 8 of this order, shall be applicable to at least 95 percent of the persons engaged upon a project and paid from project funds, except:

(a) Such projects, portions of projects, or activities as the Federal Works Progress Administrator or his authorized representative may hereafter exempt, including adjustments to the schedule of monthly earnings on the basis of contiguity of counties, redefinition of regions, and adjustments within the range of 10 percent.

(b) Such projects or portions of projects as the State Works Progress administrators may hereafter exempt, provided that the number of persons covered by such exemption, including project supervisory employees, shall not exceed 10 percent of the employees on a project and that at least 95 percent of the persons employed upon all projects within a State shall be persons who are paid in accordance with the schedule of monthly earnings as hereinafter provided.

(c) Such projects or portions of projects as the State Works Progress administrators may hereafter specifically exempt for a period of not to exceed one full pay-roll period, in order to permit the assignment of supervisory personnel for the purpose of planning and scheduling project operations, provided that such exemption authority shall not allow the assignment of project supervisory employees in excess of the normal needs of full-time project operation.

SCHEDULE OF MONTHLY EARNINGS

The schedule of monthly earnings applicable to any county shall be based upon the 1930 population of the largest municipality within the county in accordance with the following schedule:

UNSKILLED WORK

Region [1]	Over 100,000	50,000–100,000	25,000–50,000	5,000–25,000	Under 5,000
Region I	55	52	48	44	40
Region II	45	42	40	35	32
Region III	40	38	36	30	26

INTERMEDIATE WORK

Region I	65	60	55	50	45
Region II	58	54	50	44	38
Region III	57	53	47	40	33

SKILLED WORK

Region I	85	75	70	63	55
Region II	72	66	60	52	44
Region III	72	66	60	52	44

PROFESSIONAL AND TECHNICAL WORK

Region	Over 100,000	50,000–100,000	25,000–50,000	5,000–25,000	Under 5,000
Region I	94	83	77	69	61
Region II	79	73	66	57	48
Region III	79	73	66	57	48

[1] Regions include the following States:

Region I: Arizona, California, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Washington, Wisconsin, Wyoming.

Region II: Delaware, District of Columbia, Kansas, Kentucky, Maryland, Missouri, Oklahoma, West Virginia.

Region III: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia.

SEC. 8. The several State Works Progress administrators are hereby authorized to continue adjustments to the schedule of monthly earnings heretofore authorized by the Federal Works Progress Administrator or by the several State Works Progress administrators on the basis of contiguity of counties, redefinition of regions, or adjustments within the range of 10 percent, provided such adjustments to the schedule of monthly earnings were in full force and effect prior to the effective date of this order and such adjustments have not been incorporated into the schedule of monthly earnings as herein provided.

SEC. 9. The several State Works Progress administrators are hereby authorized to make adjustments to the schedule of monthly earnings as herein established in order to allow the scheduling of monthly earnings which do not involve the computation of fractional payments of less than 1 cent or the assignment of hours of work which involve partial hours during any semimonthly pay period, provided this authority is limited to the fixing of monthly earnings which do not vary more than $1 above or below the established schedule of monthly earnings. Any adjustments to the schedule of monthly earnings for this purpose which exceed $1 above or below the established schedule shall be subject to prior authorization by the Federal Works Progress Administrator or his designated representative. Such adjustments to the schedule of monthly earnings shall be in addition to any adjustments heretofore authorized under the provisions of section 8 of this order.

SEC. 10. The several State Works Progress administrators are authorized and directed to establish monthly salaries for project supervisory employees in accordance with monthly wages customarily paid for work of a similar nature in the same locality. Deductions for voluntary absence from duty shall be made in the amount of one-thirtieth of the monthly salary for each day of voluntary absence. However, no deduction shall be made for any day or days upon which the employee is not required to work. Deductions for voluntary absence from duty for a portion of a day shall be made in an amount equal to one-fourth the deduction, or multiple thereof, made for absence during a full day.

SEC. 11. Project employees paid on an hourly basis shall be compensated only for time actually worked, except where a project employee is paid for the day upon which a compensable injury occurs. Project employees who are paid in accordance with the schedule of monthly earnings shall be allowed every reasonable opportunity consistent with efficient project operations to make up time lost as provided in section 5. Such time lost may be made up during the current or succeeding pay-roll months; however, every effort shall be made to reschedule project operations so as to allow project employees to make up time lost during the current pay-roll period. Payments in excess of the schedule of monthly earnings are permitted for this purpose.

SEC. 12. Project employees if injured in the performance of duty and unable to work as a result thereof shall be entitled to receive payment of compensation under the provisions of the act of February 15, 1934 (48 Stat. 351) as amended.

SEC. 13. Where project employees are quartered in camps, the several State Works Progress administrators are authorized to fix an appropriate charge for lodging, food, proper sanitation, water and bathing facilities, and medical and dental care, and to make such deductions at the end of each pay-roll period from the earnings of project employees quartered in such camps.

PART V. CONDITIONS OF EMPLOYMENT

SEC. 14. It shall be the responsibility of the State works progress administration to assure the maintenance of standards of eligibility for certification. Need and employability shall be the only requirements in determining eligibility provided persons are otherwise eligible as prescribed by law and by these regulations. For the purpose of certification need shall be said to exist when the resources of the family or of the unattached individual are insufficient to provide a reasonable subsistence compatible with decency and health. At least 95 percent of the employees on a project shall be persons who have been certified as in need by a public relief agency approved by the Works Progress Administration or in lieu thereof by the Works Progress Administration, except:

(a) Persons on such projects or portions of projects as the Federal Works Progress Administrator or his authorized representative may hereafter exempt;

(b) Such projects or portions of projects as the State Works Progress administrator may hereafter exempt, provided that the number of persons covered by such exemptions, including project supervisory employees shall not exceed 10 percent of the employees on a project and that at least 95 percent of the persons employed on all projects within the State shall be persons certified as in need; and

(c) Such projects or portions of projects as the State Works Progress administrators may hereafter specifically exempt for a period of not to exceed one full pay-roll period, in order to permit the assignment of supervisory personnel for the purpose of planning and scheduling project operations, provided that such exemption authority shall not allow the assignment of project supervisory employees in excess of the normal needs of full-time project operation.

SEC. 15. Persons in need whose names have not heretofore been placed upon relief rolls shall be eligible for employment and shall be certified as in need in the same manner as persons whose names have heretofore appeared on relief rolls.

SEC. 16. Persons 65 years of age or over and women with dependent children shall be eligible for employment, if certified as to need and otherwise eligible, provided:

(a) Such persons are not receiving public assistance benefits under the Social Security Act; or

(b) Such persons do not relinquish public assistance benefits under the Social Security Act with the intent to establish eligibility for employment.

SEC. 17. Farmers in rural areas who are in need and who need employment to supplement their farm income shall be eligible for certification and for employment, provided that:

(a) Such farmers are not active standard loan clients of the Farm Security Administration, and

(b) Such farmers are not currently receiving emergency grants from the Farm Security Administration.

SEC. 18. No person under the age of 18 years, and no person whose age or physical condition is such as to make his employment dangerous to his health or safety, or to the health or safety of others may be employed on a project. This section shall not be construed to operate against the employment of physically handicapped persons otherwise employable, where such persons may be safely assigned to work which they can perform.

SEC. 19. Only one member of a family group may be employed on projects as defined herein. This provision shall not be construed to interfere with the part-time employment of a youth member of the family by the National Youth Administration or the enrollment of a member of the family in the Civilian Conservation Corps.

SEC. 20. The fact that a person is entitled to or has received either adjusted-service bonds or a Treasury check in payment of an adjusted-compensation certificate shall not be considered in determining actual need of such employment.

SEC. 21. No alien shall knowingly be given employment or continued in employment on any project even though such alien may have filed a declaration of intention to become an American citizen. Effective March 6, 1939, and thereafter, no person shall be employed on projects until such person has executed an affidavit as to his citizenship status.

SEC. 22. Preference in employment on projects shall be given in the following order:

(a) Veterans of the World War and the Spanish War and veterans of any campaign or expedition in which the United States has engaged who are in need and are American citizens.

(b) Other American citizens, Indians, and other persons owing allegiance to the United States who are in need.

SEC. 23. No person certified as in need shall be eligible for employment on any project financed from funds appropriated to the Works Progress Administration who has refused to accept employment on any other Federal or non-Federal project at an hourly wage rate comparable to or higher than the hourly wage rate established for similar work on projects financed from funds appropriated to the Works Progress Administration. However, any certified person who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own shall not lose his eligibility for reemployment on any project financed from funds appropriated to the Works Progress Administration or on any other Federal or non-Federal project on account of such previous employment.

SEC. 24. Project employees and unassigned certified persons shall be expected to accept bona fide offers of private employment, whether of a permanent or temporary nature, provided that:

(a) The project employee is capable of performing such work;

(b) The wage for such employment is not less than the prevailing wage for such work in the community;

(c) Such employment is not in conflict with established union relationships;

(d) Such employment provides reasonable working conditions.

A certified person who takes such private employment shall at the expiration thereof be entitled to reemployment on a project if he is still in need and otherwise eligible and if he has lost the private employment through no fault of his own. However, project employees and certified persons awaiting assignment who refuse to accept such private employment shall be ineligible for employment on any project for the period such private employment would be available.

SEC. 25. As a condition to their continued employment on projects project employees paid on an hourly basis who are certified as in need shall be required to file quarterly a statement as to the amount of their earnings from outside employment while they were assigned on such projects. The quarterly statements of outside earnings shall be taken into consideration in continuing such certified persons in employment on projects.

SEC. 26. Persons certified as in need, including project supervisory employees, who are authorized to work on projects at monthly earnings which are in excess of $100 per month shall have their certification of need canceled and shall be considered as noncertified persons, provided that this requirement shall not be construed as prohibiting certified workers from receiving monthly earnings in excess of $100 per month when making up lost time or in an emergency as provided in section 5.

SEC. 27. Persons who are qualified for assignment to projects and who are eligible as specifically provided by law and by these regulations shall not be discriminated against because of membership or nonmembership in a labor organization.

SEC. 28. All persons paid from funds appropriated to the Works Progress Administration shall observe the following rules relating to political activities:

(a) No person, directly or indirectly, shall promise any employment, position, work, compensation, or other benefit provided under the program of the Works Progress Administration to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

(b) No person shall deprive, attempt to deprive, or threaten to deprive, by any means, any person of any employment, position, work, compensation, or other benefit provided under the program of the Works Progress Administration on account of race, creed, color, or any political activity, support of, or opposition to any candidate or any political party in any election.

(c) No person shall knowingly solicit or knowingly be in any manner concerned in soliciting any assessment, subscription, or contribution for the campaign expenses of any individual or political party from any person entitled to or receiving compensation or employment provided for by the program of the Works Progress Administration.

(d) No person employed in any administrative or supervisory capacity by any agency of the Federal Government whose compensation is paid from funds appropriated to the Works Progress Administration shall use his official authority or influence for the purpose of interfering with an election or affecting the results thereof. While such persons shall retain the right to vote as they please and to express privately their opinions on any political subjects, they shall take no active part in political management or in political campaigns. Any persons in an administrative or supervisory capacity who violate the provisions of this section shall be subject to immediate discharge and thereafter such persons shall not be eligible for any employment which is compensated from funds appropriated to the Works Progress Administration.

SEC. 29. Every person who works for the Works Progress Administration, whatever his job, has a right to vote in any election, for any candidate he chooses. When the hours during which polling places are open or any other conditions prevent employees from freely exercising their voting privileges, scheduled hours of work may be adjusted to provide the necessary time for this purpose. Project employees shall not be paid for time allowed during which to vote, but they shall be permitted through a rescheduling of working hours to work their full quota of hours during the pay-roll month for which the time off is granted.

SEC. 30. All projects shall be conducted in accordance with safe working conditions and every effort shall be made for the prevention of accidents.

SEC. 31. Wages to be paid by the Federal Government may not be pledged or assigned, and any purported pledge or assignment shall be null and void.

SEC. 32. Project employees on an hourly basis shall be required to show evidence of registration and occupational classification by a designated office of the United States Employment Service before assignment to work on projects.

PART VI. ASSIGNMENT, CLASSIFICATION, AND EMPLOYMENT RECORDS

SEC. 33. The assignment and reassignment of project employees and the classification and reclassification by occupational title of project employees paid on an hourly basis shall be the responsibility of the State works progress administration. The several State Works Progress administrators are hereby authorized and directed to continue:

(a) To analyze occupational work experience and training of persons certified for project employment for the purpose of classifying them according to occupational characteristics;

(b) To make every reasonable effort, consistent with prompt employment to assign such persons to work on projects at their usual or related occupations; and

(c) To maintain individual occupational classification records showing work experience, qualifications, primary and secondary occupational classifications, and other related information.

PART VII. EFFECTIVE DATE

SEC. 34. These rules and regulations shall become effective at the beginning of pay-roll periods on and after April 20, 1939, and shall supersede administrative orders Nos. 62 and 65 of the Works Progress Administration, which are hereby rescinded.

[SEAL] F. G. HARRINGTON, *Administrator.*

[F. R. Doc. 39-1324; Filed April 18, 1939; 10:19 a. m.]

Mr. SCHWELLENBACH. Mr. President, will the Senator from Kentucky yield to me so that I may ask the Senator from Nevada a question?

Mr. BARKLEY. I yield.

Mr. SCHWELLENBACH. I will state to the Senator from Nevada that there is prevalent in the city of Washington a rumor that there are many persons connected with the Congress who believe that within the next few days so many Members of the Congress will be tired of this session that they will leave and that the Congress will not be able to get a quorum after the next 2 or 3 days.

In view of the statement submitted by the Senator from Nevada does he not believe that those who are so anxious to return home, and who may thus compel Congress to adjourn by reason of failure to obtain a quorum, will by such action cause the failure of adoption of the Senator's proposal? And will they not by their action in going home, or to some place else, cause a continuation of this very cruel policy which was put into the Works Progress legislation?

Mr. McCARRAN. If I may answer in the time of the Senator from Kentucky——

Mr. BARKLEY. I yield.

Mr. McCARRAN. I may say that, so far as I am personally concerned and I believe so far as a majority of the Senate is concerned, I and they are entirely content to remain here to the end that those who are interested and those who need proper consideration shall not be neglected and that the wage structure of the country shall never be torn down because of the absence of Members of Congress, or by any action of Congress. I hope I have answered the question of the Senator from Washington.

Mr. BARKLEY. Mr. President, the rumor to which the Senator from Washington made reference, that by the end of this week a sufficient number of Members of Congress, particularly of the Senate, would leave the city permanently, thus making it impossible to obtain a quorum during the rest of the session, has been brought to my attention.

It would be so incredible for Members of the Senate and the House of Representatives individually to leave the city in sufficient numbers to make it impossible to obtain a quorum to transact the further business of Congress, including not only the proposal of the Senator from Nevada, but other proposals, that I do not believe any such thing will happen. I realize how anxious we all are to go to our homes, but——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. In a moment. I think I am within the bounds of reason when I say that by hard work we can conclude the session not later than a week from next Saturday. Certainly Senators and Representatives are willing to stay in Washington another week, or even longer if necessary, in order that vital business may be transacted. I do not believe that the rumor to which reference has been made has any foundation. I certainly hope not.

In that connection, Mr. President, I should like to say that I shall ask the Senate to continue in session tomorrow night, and to hold night sessions during the remainder of this week, in order that we may facilitate the consideration and disposition of business.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, in view of what the Senator has said about the apparently unanimous desire of Members of Congress to leave Washington, I want it understood that, speaking for myself, that is not my desire. My desire is to remain here until Congress shall have discharged whatever duties it may have to perform, and the Senator will find me ready to remain beside him until every single measure upon the calendar or in committee which should be considered is considered. From what I gather from talking with other Members of the Senate, I believe that is the attitude of a great many Members of this body.

I think attention should be called to the fact that suggestions for the adjournment of Congress frequently proceed from the mouths of persons who are not Members of Congress, and who desire to get Congress out of Washington. It is my belief that a majority of the Members of the Senate and of the House are willing to do their duty under the law.

Mr. BARKLEY. I entirely agree with the Senator from Wyoming; and for that reason I have not at all credited the rumors and statements which have been brought to my attention. We all know that as soon as Congress meets in January, persons inside and outside the Congress begin to speculate about when we are going to adjourn. We all make such a desperate effort to become and remain Members of Congress that I do not think we ought to make a desperate effort to get away before we have performed our duty. I think the Senator from Wyoming speaks the sentiments of the overwhelming majority of Members of this body when he says that we will stay here until we have performed our public duty.

It so happens that individual Senators, because of illness and perhaps for other legitimate reasons, are compelled temporarily to absent themselves. One Senator came to me today and advised me that he had to leave tonight, on the advice of his physician, because of personal illness. Of course, in such a case no one could insist that a Senator stay in Washington and jeopardize his health or his life in the performance of his duty. However, taking the Senate by and large, I think it is willing and ready to stay here and perform its duty.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. I expect to remain in Washington until the final adjournment of Congress, as I always do. However, if the Senator means that we are to stay here until we shall have disposed of all the bills on the calendar, and all the bills in committee, I should like to know it, so that I may make my plans accordingly.

Mr. BARKLEY. I have no such idea. I said that I thought we could wind up the necessary business next week. I still entertain that hope. However, that certainly does not include cleaning the calendar of all the bills on it, and disposing of all the bills now before committees. I have no such view as that. I hope the Senator did not think I meant any such thing.

Mr. BYRNES. No.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

THE JUDICIARY

The PRESIDING OFFICER (Mr. HILL in the chair). If there be no reports of committees, the clerk will state the nominations on the calendar.

The legislative clerk read the nomination of Walter Bragg Smith to be United States marshal for the middle district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NATIONAL RESOURCES PLANNING BOARD

The legislative clerk read the nomination of George F. Yantis to be a member of the National Resources Planning Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, July 26, 1939, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25, 1939

UNITED STATES MARSHAL

Walter Bragg Smith to be United States marshal for the middle district of Alabama.

NATIONAL RESOURCES PLANNING BOARD

George F. Yantis to be a member of the National Resources Planning Board.

APPOINTMENTS IN THE REGULAR ARMY

Tillman Davis Johnson to be first lieutenant, Medical Corps.
Carl Winn Hall to be first lieutenant, Medical Corps.
Michael Deane Buscemi to be first lieutenant, Medical Corps.
Raymond Cunningham Stiles to be first lieutenant, Medical Corps.
Russell Edward Hanlon to be first lieutenant, Medical Corps.
James Samuel Fisackerly to be first lieutenant, Medical Corps.
Henry Curtis Harrell to be first lieutenant, Medical Corps.
James Francis Reilly to be first lieutenant, Medical Corps.
Hensley Starling Johnson to be first lieutenant, Medical Corps.
George N. Schuhmann to be first lieutenant, Medical Corps.
Fredrick Clinton Hopp to be first lieutenant, Medical Corps.
Harvey Clark Boyd to be first lieutenant, Medical Corps.
Carroll Steiner Svare to be first lieutenant, Medical Corps.
Edward John Doyle to be first lieutenant, Medical Corps.
Jesse Moyer Swink to be first lieutenant, Dental Corps.
Jack Benjamin Caldwell to be first lieutenant, Dental Corps.
Raymond Waldmann to be first lieutenant, Dental Corps.
Carroll Godfrey Hawkinson to be first lieutenant, Dental Corps.
George Herbert Moulton to be first lieutenant, Dental Corps.
George Broughton Foote to be first lieutenant, Dental Corps.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS, REGULAR ARMY

Carlyle Hilton Wash to be colonel.
Ross Franklin Cole to be lieutenant colonel.
Hugo Peoples Rush to be major.

PROMOTIONS IN THE REGULAR ARMY

George Winship Easterday to be colonel, Coast Artillery Corps.
Clinton Albert Pierce to be lieutenant colonel, Cavalry.
John Redmond Thornton to be major, Cavalry.
George Roland McElroy to be major, Cavalry.
Douglas Horace Rubinstein to be major, Infantry.
Sam Foster Seeley to be major, Medical Corps.
William Draper North to be major, Medical Corps.
Clifford Veryl Morgan to be major, Medical Corps.
William Henry Lawton to be major, Medical Corps.
James Elmo Yarbrough to be major, Medical Corps.
Abner Zehm to be major, Medical Corps.
Walter Frederick Heine to be major, Medical Corps.
Charles McCabe Downs to be major, Medical Corps.
John Winchester Rich to be major, Medical Corps.
Thomas Brown Murphy to be major, Medical Corps.
Huston J. Banton to be major, Medical Corps.
Hervey Burson Porter to be major, Medical Corps.
John Joseph Pelosi to be captain, Medical Corps.
Patrick Ignatius McShane to be captain, Medical Corps.
Louis Samuel Leland to be captain, Medical Corps.
Joseph Francis Linsman to be captain, Medical Corps.
Albert Fields to be lieutenant colonel, Dental Corps.
Roger Giles Miller to be major, Dental Corps.
John Knox Bodel to be chaplain, with the rank of lieutenant colonel, United States Army.
William Roy Bradley to be chaplain, with the rank of lieutenant colonel, United States Army.
James Lloyd McBride to be chaplain, with the rank of lieutenant colonel, United States Army.

PROMOTIONS AND APPOINTMENTS IN THE NAVY

MARINE CORPS

Ralph E. Forsyth to be major.
William J. Scheyer to be major.
Lawrence T. Burke to be major.
Thomas J. Walker, Jr., to be major.
Charles W. Kail to be major.
William K. Pottinger to be captain.
George N. Carroll to be captain.
Paul E. Wallace to be captain.
Marshall A. Tyler to be captain.
Wilbur J. McNenny to be captain.
Joslyn R. Bailey to be captain.
Donald W. Fuller to be captain.
David W. Stonecliffe to be first lieutenant.
Fred T. Bishopp to be second lieutenant.
Robert F. Jenkins, Jr., to be second lieutenant.
Benjamin B. Manchester, III, to be second lieutenant.
Albert W. Moffett to be second lieutenant.
Thomas V. Murto, Jr., to be second lieutenant.
Robert Philip to be second lieutenant.
John W. Stevens, 2d, to be second lieutenant.
Edwin J. St. Peter to be second lieutenant.
James Taul to be second lieutenant.
Waite W. Worden to be second lieutenant.

POSTMASTERS

ALABAMA

Julia J. Harkness, Eutaw.
Eunice D. King, Midway.
Addie M. Cannon, Mount Vernon.
Jesse A. Harris, New Brockton.
Roe P. Greer, Sylacauga.
William F. Gulledge, Tallassee.
Blanche Hendon, Townley.
Henry G. Sockwell, Tuscumbia.

CALIFORNIA

Guy N. Southwick, Atascadero.
Leonard F. De Goff, Brea.
Richard A. Higgs, Chula Vista.
Emma B. Baily, Corte Madera.
Carlton T. Hansen, Crescent City.
Thomas J. Caffery, El Monte.
Charlotte A. Cavalli, Half Moon Bay.
Robert A. Ascot, Highland.
Hazel G. Nearing, Hondo.
Arthur J. Haycox, Hueneme.
John E. Nolan, Jamestown.
Rodney McCormick, Napa.
Louis E. Clay, Pacific Grove.
Arvin P. Ralston, Patterson.
Florence E. Cornelius, Piru.
Eugene L. Scott, Porterville.
Mary M. Wilson, Rio Linda.
Kelley C. Osgood, Riverbank.
Manuel Dos Reis, Jr., San Anselmo.
William C. O'Donnell, San Luis Obispo.
Frederick T. Hale, Santa Cruz.
Leo H. Strickland, Venice.
Edward I. Leake, Woodland.

FLORIDA

Hugh McCormick, Eau Gallie.
Blanche B. Merry, Pass-A-Grille Beach.
Margaret H. Futch, Sebastian.
James Frank Cochran, Tallahassee.

IOWA

Frances O'Donnell, Colo.
Helen A. Mohr, Sabula.

KANSAS

Harold J. Schafer, McPherson.
William Ross Whitworth, Sedan.
John E. Barrett, Topeka.

KENTUCKY

Clifford O. Ducker, Butler.
Roy Willis, Caneyville.
Ressie H. Miller, Cloverport.
Dennis L. Sullivan, Corinth.
Mary Virginia Garvey, Sanders.

LOUISIANA

Jack Bostwick, Bastrop.
John E. Butler, Jr., Port Allen.

MICHIGAN

John L. Swartout, Addison.
Marie L. Mottes, Alpha.
Florence S. Abbott, Ann Arbor.
Henry Miltner, Cadillac.
John S. Courtney, Marquette.
Anna S. Warner, Mount Pleasant.
Ralph C. Wolcott, North Adams.
Orin K. Grettenberger, Okemos.
Gilbert H. Davis, Royal Oak.
Adeline E. Phillips, St. Louis.

MINNESOTA

Ingval Lynner, Clarkfield.
Edward R. Siem, Elgin.
Sophia V. Rader, Warroad.
Leon L. Bronk, Winona.

MISSISSIPPI

Ethel W. Still, Clarksdale.

MISSOURI

Joseph D. Stewart, Chillicothe.
Allen W. Sapp, Columbia.
Clarence C. Wilkins, Hornersville.
Edgar G. Hinde, Independence.
Robert L. Chappell, Louisiana.
Zera Lee Stokely, Poplar Bluff.

NEW HAMPSHIRE

Michael J. Carroll, Laconia.

NEW JERSEY

Edward Brodstein, Asbury Park.
John Russell, Barnegat.
James T. Brady, Bayonne.
Everett H. Antonides, Belmar.
Norman H. Deshler, Belvidere.
Michael H. Connelly, Bloomfield.
Irving Washburn, Dover.
Elizabeth MacBrair, Essex Fells.
Verona K. Christie, Fanwood.
George W. Karge, Franklinville.
Herbert Schulhafer, Linden.
Wilmer Lawrence, Milford.
William D. Hayes, Millburn.
Russell J. Noncarrow, Morristown.
Patricia B. Hanlon, Mountain Lakes.
Lillian M. Roe, Mountain View.
Augustus J. Hans, Netcong.
Abraham G. Nelson, New Market.
Harry J. Bowitz, Oakland.
William H. Fisher, Phillipsburg.
John Jenkins, Port Norris.
Franke Vera Carter, Tenafly.
Helen S. Elbert, Vincentown.

NEW YORK

Edward P. McCormack, Albany.
Robert J. Sheehe, Arcade.
Willard H. French, Atlantic Beach.
Thomas A. O'Neill, Au Sable Forks.
Andrew J. Melton, Bay Shore.
John Foye, Brockport.
William J. Gleason, Cortland.
Charles C. Curry, Dansville.
Arthur I. Ryan, Delmar.
Flora M. Matty, Evans Mills.
Willard S. Brown, Fair Haven.
John J. Finnegan, Fairport.
James P. Barton, Firthcliffe.
Edward A. Rice, Freeport.
Joseph H. Wilson, Highland Falls.
John W. Beggs, Jefferson.
Robert F. McCabe, Johnson City.
Daniel J. Ryan, Johnsonville.
Edward A. Laundree, Keeseville.
Edward Hart, Lake Placid Club.
Everard K. Homer, Livingston Manor.
Dudley C. Merritt, Locust Valley.
Edward V. Canavan, Niagara Falls.
Frederick J. Clum, Pawling.
William Henningsen, Port Jefferson Station.
Louis S. Martin, Redwood.
Harold T. Hubbard, Riverhead.
Teresa V. Ball, Rye.
Mary E. Gainor, Salem.
William H. Butler, Saranac Inn.
Mary F. Chambers, Shortsville.
Carrie B. Baldwin, South Otselic.
J. Frank Lackey, Tannersville.
Wilfred R. Carr, Warwick.
Charles Green Brainard, Waterville.
John E. Abplanalp, Youngsville.

NORTH CAROLINA

John O. Redding, Asheboro.
Frank H. Stinson, Banner Elk.
Henry L. Avent, Buies Creek.
George F. Bost, Hickory.
James F. Seagle, Lincolnton.
Russell G. Cashwell, Lumberton.
Michael B. Kibler, Morganton.
Marguerite W. Maddrey, Seaboard.
Bonnie B. Shingleton, Stantonsburg.
Duncan F. McGougan, Tabor City.

OHIO

Benjamin R. Mulholland, Alger.
Fred B. Weaver, Amelia.
Harry Hamilton, Beallsville.
John D. Moorehead, Bethel.
Charles Creeden, Celina.
Ralph W. Litzenberg, Centerburg.
Samuel B. Maury, Clarington.
Charles A. McCrate, Columbus Grove.
Virgil Davis, Corning.
Alexander J. Shenk, Delphos.
Edgar J. Orvis, Dover Center.
Burton R. Taylor, Dresden.
Dean W. Wright, Elida.
Paul E. Ruppert, Franklin.
Raymond E. Fissel, Galena.
Duward B. Snyder, Grand Rapids.
Edna L. Merkle, Hartville.
Gladys Mae Dorko, Marblehead.
Raymond R. Riehle, Milford.
Sister Alice Marie O'Meara, Mount Saint Joseph.
Herman J. Laut, New Bremer.
Henry J. Brubaker, New Carlisle.
Philip B. Mason, Pickerington.
William Howard Clark, Rossmoyne.
Albert J. Beckman, St. Henry.
William H. Uetrecht, St. Marys.
Iva A. Falls, Shawnee.
William B. Swonger, Sidney.
Mary A. Patterson, Solon.
Carroll Williamson, Sunbury.

Elsie S. Shafer, Trenton.
Raynor R. Newcomb, West Unity.

OKLAHOMA

Margaret Cummins, Chattanooga.
Grover H. Hope, Frederick.
Hannie B. Melton, Hastings.
Finis E. Gillespie, Hobart.
James Q. Tucker, Hollis.
Charles H. Hayes, McLoud.
Jesse G. Ford, Roosevelt.
Chester A. Holding, Tipton.
Garland C. Talley, Welch.

SOUTH CAROLINA

Bessie W. Martin, Belton.

WASHINGTON

Lloyd K. Sullivan, Chehalis.
Edith M. Lindgren, Cosmopolis.
Ernest H. McComb, Everson.
Clarence A. Scott, Harrington.
Walfred Johnson, Lowell.
Leonard McCleary, McCleary.
James H. Callison, Palouse.
Hazel M. Surber, Pe Ell.
Bertha H. Welsh, Prescott.
Peyton B. Hoover, Rochester.
M. Berta Start, Winslow.

WEST VIRGINIA

Maurice L. Richmond, Barboursville.
Herbert H. Crumrine, Middlebourne.
David J. Blackwood, Milton.
Roy L. Pugh, Winona.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 25, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father of mercies, in Thy holy Word what endless glory shines; we pray Thee to teach us to love it and find our Saviour there. Nothing can lessen the dignity and the value of humanity so long as loving devotion to it endures; let it be our light and strength. We beseech Thee to incline the hearts of employers and of those whom they employ to mutual forbearance, fairness, and good will. Blessed Lord God, we pray for the aged, for the young, and for those who are overtasked because of poverty and forgotten. May our love be as fresh as the dawn and as sure as the path of Thy law. Wherever the morning light falls on human faces may it cheer, make homes happy and true, men and women good, and little children joyous; in the Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2150) entitled "An act to amend section 8 of the act entitled 'An act to supplement laws against unlawful restraints and monopolies, and for other purposes,' particularly with reference to interlocking bank directorates, known as the Clayton Act."

ELECTION TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution for immediate consideration.

The Clerk read as follows:

House Resolution 272

Resolved, That the following-named Members be, and they are hereby, elected members of the standing committees of the House of Representatives, to wit:

Military Affairs: William D. Byron, Maryland.
District of Columbia: Thomas D'Alesandro, Jr., Maryland.
War Claims: Matthew A. Dunn, Pennsylvania; A. Leonard Allen, Louisiana; David J. Ward, Maryland.
Coinage, Weights, and Measures: David J. Ward, Maryland.
Mines and Mining: David J. Ward, Maryland.

The resolution was agreed to.

NAUTICAL EDUCATION

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5375) to promote nautical education, and for other purposes, with Senate amendments, disagree to the Senate amendments, request a conference with the Senate, and appoint conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BLAND, SIROVICH, RAMSPECK, WELCH, and CULKIN.

DEVELOPMENT OF AMERICAN MERCHANT MARINE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, with a Senate amendment, disagree to the Senate amendment, request a conference with the Senate, and appoint conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BLAND, SIROVICH, RAMSPECK, WELCH, and CULKIN.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on career men in the Government service and to include therein a brief article from the Federal Employee.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief table of statistics.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

APPROPRIATIONS AND THE NATIONAL DEBT

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, at the last session of Congress the total appropriations, direct, reappropriations, and permanent appropriations, were $13,371,000,000. This year so far they are $13,836,000,000, an increase of $465,000,000.

Our expenditures last year exceeded receipts by $3,600,000,000. Our debt increased $3,264,000,000. The debt of Government corporations increased $4,415,000,000. The total increase in the debt of the Government direct and of Government corporations was $7,680,000,000. This is the worst record of all time and it behooves Congress to stop the so-called spending bill that is coming in designed to wreck completely the financial structure of America and to throw more people out of work.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SCRUGHAM asked and was given permission to extend his own remarks in the RECORD.

Mr. TOLAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an analysis by the Veterans' Administration relating to the bill (H. R. 2296) with reference to correction of misconduct restrictions, and H. R. 5452, with reference to additional care for disabled veterans and their dependents.